

# FINANCIALTIMES

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#### NEWS SUMMARY

GENERAL

banki

SCIVIO

# **BP** to slash tanker fleet

BP Shipping is to reduce its tanker fleet of 45 ships by 16. with a resulting loss of 1,300

scrapped by early 1983. The company—a division of British Petroleum-would not name. them, as crewa have not yet been told.

It blamed the cuts on overcapacity in the world tanker market and the shift in oil supplies away from using tankers from the Gulf. Back

#### Nurses' pay hint

The Government signalled that it would improve the pay offer to murses in return for agreement on its two-year pay deal.

#### **Fagan committed**

Michael Fagan was committed to a mental hospital after pleading goldy to taking a car. He was last month acquitted of stealing from Buckingham

Footballers freed

Southampton footballers Steve

#### Moran and Mark Wright went free when a court in Norrkoep-

ing, Sweden, dismissed charges of attempted rape. Soviet mystery Polithuro member Andrel

Kirileoko's signature was absent

#### from an official obituary, deepening uncertainty about Soviet leadership. Page 2

withheld support for him in the the Fianna Fall party today. 576.8. Page 33

#### Glemp trip off

Polish Archbishop Jozef. Glemp has called off a trip to Rome and postponed one to North America because of conditions in Poland, Page 2

#### Security talks

West Germany and France are to hold regular talks on issues of European security-the new Government'a first

#### Hijackers jailed

Twn Iranian NCOs who hijacked an air force plane to the United Arah Emirates on Sunday were jailed after returning

with the aircraft to Iran. Housing plan

#### Housing Minister John Stanley

announced plans to let more council tenants buy their own homes. Page 14

#### Gold for Daley Daley Thompson (England) re-

his Commonwealth Games decathlon tille in Bris-Outside, an aborigines' protest march was called off because fines were costing too

#### Innings win

Pakistan (501-6 dec) heat Australia (168 and 330) by an innings and three runs to lead the three-match cricket test

# Frequent caller

Laurie Skreslet became the first Canadian to scale Mt Everest. His Sherpa gulde, Sundare, became the first man to do it three times.

#### Briefly . . .

Difficult year for the arts was Page 22 predicted by the Arts Council St John's College, Cambridge, took in its first women students. Paramilitary police quelled an armed Naples prison riot.

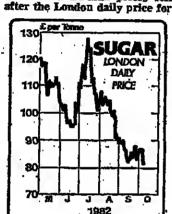
# \$ stays firm; sugar falls

● DOLLAR remained firm. It rose to further peaks at FFr 7.21 (FFr 7.2) and L1.436.25 (L1.433.5). It finished at SwFr 2.2 (SwFr 2.198), a mear five-year high, Y274.05 Y273.15), the highest for about 5½ years, and DM 2.5535 (DM 2.5505), a 14-month high. Its trade-weighted index was 124.8 (124.6). Page 27

• STERLING was unchanged at \$1.685. It rose to DM 4.305 (DM 4.3), FFr 12.1475 (FFr 12.13), SwFr 3.71 (SwFr 3.705). Its trade-weighted tradex was 91.8 (91.6). Page 27

• GOLD rose \$4 to \$391.5 in London. In New York, the Comex October close was \$392.5 (\$387). Page 26

WORLD SUGAR prices fell



raws was set down £6 at £81 a tonne, a four year low. Page 26

 GILTS had a better tone. The Haughey fight
Two Cabinet colleagues of Irish
Premier Charles Haughey have

FT Government Securities
Index gained 0.29 to 79.07.
Page 33

• HONG KONG: Hang Seng index recovered to show a rise of 65.75 to 881.96. Sharp recovery, Page 4; market report,

• WALL STREET was 6.16 up at 909.77 near the close. Page 25

 BANK OF ENGLAND estimated that sterling M3 grew by 1 per cent in the month to mid-September, Back Page • BUSINESS FAILURES were

foreign policy decision. Page 3 up 35 per cent in the first nine months of this year. Page 10

• IRON AND STEEL Trades Confederation general secretary Bill Sirs will today tell a steel workers' conference that BSC is to make further major plant cuts, likely to involve thousands of redundancies. Back Page

• GOVERNMENT plans step up its programme for privatising sectors of stateowned manufacturing industry in the next parliamentary session. Back Page

DENMARK unveiled a radical anti-inflation policy. Page 2

• EUROPEAN Regional Development Fund is allocating £39.28m in grants to the UK.

• 60VEREIGN OIL and Gas has discovered oil in one of the North Sea premium blocks east of the Shetlands. Page 8

• SOUTH AFRICA has discovered oil off the southern Cape coast.

 JERSEY has approved legis lation to allow insurance companies to operate in the island.

• SEAGRAM DISTULKES, UK subsidiary of the Camedian drinks group, is to raise £50m on the London bond market.

• SEARS HOLDINGS, footwear respiler and manufacturer, reported pre-tax profits almost unchanged at £35.2m (£35.9m) for the six months to July 31 Page 22, Lex, Back Page

Reckitt and Colman 376 + 10

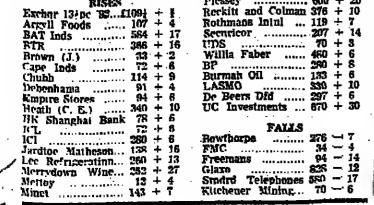
Rothmans Iniul ... 119 + 7

Securicor ...... 207 + 14

70 + 3

#### CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)



tms

# Witteveen stresses dangers of world banking problems

BY WILLIAM HALL, BANKING CORRESPONDENT

be plunged into an international banking crisis turning tha re-cessing into a real depression was "undoubtedly higher than for many years past," says Dr Johannes Witteveen, former managing director of the Inter-national Monetary Fund.

There are more than 30m the inte unemployed in OECD countries, munity the numbers are rising and weight. there is little prospect of a strong and sustained economic recovery in 1983.

In such circumstances tha difficulties of tha international financial community will increase, says Dr Witteveen in his preface to the annual report of the Group of 30, an influential group of central hankers, com-mercial hankers and academic aconomists.

You cannot have a healthy financial or banking system in the middle of a sick economy, says Dr Witteveen. He adds that the growing strains in domestic and international financial markets are plain for

Although Dr Witteveen is no longer a practising central hanker he heads a group of experts which includes Mr serve Bank of New York, Mr money markets, used by most Henry Wallich, a governor of hanks as a major source of

THE RISK that the world could the U.S. Federal Reserva Board. and M Alexandre Lamfalussy, economic adviser at the Bank for International Settlements, as well as other senior Govern-ment officials and commercial

bankers. Thus Dr Witteveen's warnings about the problem facing the international banking comcarry considerable

He makes the following points:

There is a case for clarifying

and checking the adequacy of the arrangements that Central Banks would make to provide "lender of last resort" facilities to meet liquidity difficulties of distressed banks at the international level. Dr Witteveen stresses that this is a personal

• Recent events in the U.S., where a trader in Government aecurities and a small bank have failed, demonstrate that "aeemingly minor events can in present conditions have a large impact on the profitability of even a large bank."

Bank lending is often infinenced by "fashion" and

competition, and based on inadequate data. These are now Christopher McMahon, deputy widely recognised as ereas of governor of the Bank of England, Mr Anthony Solomon, The impact of the changing president of the Federal Restructure of the interhank

funds, on transmitting and amplifying any shocks to the international finacial system, is not yet well recognised

The hig increase in the num ber of banks in the market, and entry of banks from well-supervised financial centres, have added to the risks involved.

· Even losses arising from the domestic operations of a parti-cular bank or group of banks could lead to rippla effects throughout the system via the interbank market, since banks in many countries rely on these markets to fund aven domestic operations.

• It is conceivable that an Individual Central Bank, acting alone, would not be sble to solve the problem satisfactorily; might, for example, not have sufficient foreign exchange re-

 Most of the world's leading commercial banks have large reserves which they can fall hack on to cushion shocks. However, Dr Witteveen questions whether these reserves are "commensurate with the possible scale of the shocks." Dr Witteveen notes that the growing strains on both borrowers and lenders are plain "Everywhere corporate

liquidity is under pressure; increasingly companies are Continued on Back Page

Editorial Comment, Page 20

# West German unions veto six-month pay freeze plan

that the Minister had not speci-

BY JONATHAN CARR-IN BONN

and salaries in West Germany that Dr Bluem's proposal was next year, proposed yesterday not open to discussion, as far by Dr Norbert Bleum, Labour as his organisation was conwas immediately rejected by the trade unions. In a television interview last fied the number of jobs he night, Dr Bluem said his proposed freeze could save billions of D-marks, which could go to investment to help create johs. "We have had the worst

unemployment figures for the month of September (1.8m) since the Federal Republic was founded. If the country doesn't wake up now, I don't know when

it will," he said. He noted that the Christian Democrat-led Government had already proposed that the elderly should have their pension increase delayed by six mouths in 1983.

similar sacrifice. Only if everyone pulled together could the current economic problems he

Herr Ernst Breit, leader of

a pay freeze. The exchange comes at a time swing. of growing pessimism about prospects for economic growth and jobs. It now seems likely that the economy will stagnate this year and next, and that the number of unemployed will rise well above 2m, according to

some, as yet unofficial, government projections. These conclusions are much gloomier than economic projections of only a few months ago.
It is expected that there will be virtually no real growth in Now, he was suggesting that Gross National Product this all groups should agree to a year. A 1 per cent expansion was still thought possible in the

This in turn means that the growth figure for 1983-once forecast to ba a real 3 per cent the German Trades Union Fede- and revised down to about 1.5 mand will emerge from there.

once more, probably close to The reason is that-for the

first time in West German bis--an export boom bas come fied the number of jobs he and gone without markedly imagined he could save through stimulating domestic demand and bringing an economic up-

The point was underlined by industrial order figures released yesterday which showed a sharp fall in demand in July and August this year compared with the same two months last year. While overall orders are down (in real volume terms) by 9 per cent, domestic orders

fell by 6.5 per cent and those from abroad by 14 per cent. The figures indicate that the boost to German sales abroad, provided by the relative weak-ness of the D-Mark in 1980 and part of last year bas avaporated. The economic outlook in key customer countries, includin the U.S., France and Britain in 1983, gives the Germans little hope that a new surge of de-

# Bank set to lead bulldog sterling issue

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT

THE Bank of England is about Bank should have been selected London. bulldog sterling bond issued in or a forthcoming £100m issue for the European Investment Bank. It will he the first time the Bank has led a hulldog issua. It has, in the past, led sterling issues for Common-

wealth borrowers. Neither the Bank itself nor would yesterday confirm this un-orthodox move. "We have heen told to say nothing," said Mr Andre George, Treasurer of the European Investment Bank in Luxembourg. City merchant bankers are at

to become lead manager for a as a lead manager. It stands to earn about £500,000 in fees —the European Investment from leading the issue, but it Bank is an EEC development London by a foreign borrower. from leading the issue, but it Bank is an EEC development. It is tipped as lead manager evidently bas other reasons for hank which lends for infraagreeing to undertake the business

Bank, which usually offers very low coupons on its bonds in the Eurobond market, could not

best in this capacity may be

Other supranational borrowers structure projects in and ont-

usiness. side the Community—have It was suggested in the City raised funds in the bulldog that the European Investment market through conventional lead managers. Baring Brothers led the latest £100m issue for the World Bank this summer. Neither the Bank itself nor decide on a suitable merchant the European Investment Bank to tead its bulldog issue.

We have the Bank itself nor decide on a suitable merchant bulldog issue.

Britain is not only a share-bolder of the European Investment Bank but also horrows. a sub-underwriting group of from it. This may be one merchant banks to place the reason why the Bank was hard issue and some bankers argue put to decline a request from that the bank which performs the borrower to lead the issue. It is not expected, however City merchant bankers are at selected to lead the next Euro- that this would set a precedent loss to understand why the pean Investment Bank issue in for other issues in the hulldog

World Trade Name

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Spain's election campaign: the shadow of Management: bleak prospects for West the military ...... 20 Germany's graduate scientists ..... 18 UK publishing: the hard sell for a good Editorial comment: Group of 30 report; life insurance commissions ...... 20 Energy review: Sudan forced to change oil strategy ..... Technology: storing 6,000 pages and

Malaysia: threat to gambling ..... 29 Japan's electronic companies: aiming for lavish growth ..... Gardens today: stop believing these myths 34 FT report: St Tergus gas terminal 16, 17 TV and Radio UK News: General ..... Labour .....

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Foreign Exchanges

# gloom over recovery PERSISTENTLY high Interest

rates and the strength of the dollar have set back still further hopes of world economic recovery.

Industrialised countries are now expected to show no growth this year, according to preliminary projections from the Organisation for Economic Coand Developmant (OECD).

In July the organisation forecast 0.5 per cent growth for

This grim outlook may strengthen the hand of those within the OECD calling for an international economic stimulus when key officials from the leading member countries—the world's main nations—meet in Paris next month under the aeris of the OF.CD's Economie Policy Committee to review policies.

Any proposals for a short term boost to the world ecoromy are. however, thought nrikely to gain much support. Among those expected at the session is Professor Mertin Feldstein of the U.S., the newlyspoointed chairman of president Panald Resean's Council of Economic Advisers.

Following the change of government in Bonn, the conensus among the main industrial nations may become even more firmly rooted in the conservative enti-inflation nolicies followed by the U.S. and

Other points being considered

by those preparing the fore-casts for the mid-November meeting include: mering include:

The prospect of flat growth in Europe this year and next and slower-than-expected expansion in Japan. Growth of Japanese gross national product this year may now be no more than 2 per cent—almost half the earlier forcest.

Page 33.

The U.S., on the other hand, the initial sale is still expected to expand fairly of the stock.

BOUTTES also improved. The A SIX-MONTH freeze on wages ration (DGB), immediately said per cent—will have to be cut strongly next year after a fall Ministers have in GNP this year of around the earlier forecast of 1.5 per cent. Unemployment in the organisation's 24 member states is rising faster than expected. The summer forecast of a jobless rate of 8.75 per cent throughout

the area by the end of the year

now seems optimistic. £ in New York Oct. 4 Spot 51.6815-6826 81,680.6930 1 month 0.14-0.17 pm 0.03-0.08 pm 3 months 0.54-0.52 pm 0.45-0.49 pm 12 months 3.20-3.30 pm a.05-3.12 pm

# OECO Tories still plan major changes to Welfare State

Kr 8.00; SWITZERLAND Fr 2.00; EIRE 50p; MALTA 30c

BY PETER RIDDELL, POLITICAL EDITOR

SENIOR MINISTERS are press-ing ahead with proposals for farresching changes in the Welfare State and in education, to promote consumer choice and private provision despite the shelvlng of the Think Tank's contro-versial suggestions on savings

This becama clear yesterday as the Conservative Party conference opened in Brighton on a low-key note with hehind-thescenes acrivity by senior Ministers to dampen bupes of a large cut in personal taxes in the next Budget.

Sir Keith Joseph, the Educa-tion Secretary, characteristic-ally, declared that all options remained open on education and social services. He talked about "radical steps" for schools and universities. In particular, he urged geographically isolated pilot schemes combining a system of vouchers, allowing free education in State schools or usable in the Independent sector, together with open enrolment in the State sector, allowing schools to change class sizes to take account of

parental choice. These proposals are highly controversial within the Conservarive Party

Sir Keith also said be was considering "a shift over time from grants for student maintenance towards a system of mixed grants and loans such as exist in many Western countries." Senior ministers made it

apparent that similar work is

Ministers' pledges

 Special 90 per cent rate of grant for basic home tmprovement, due to run out on December 31, to be extended to all applications received up to the end of 1983 to 1984. • Right-lo-bny to be ex-

tended in current Parliament to council and housing association dwellings held on leasehold land, in addition to freehold. • Pilot sebemes in sebools

combining voncher system and open enrolment, a scheme to increase parental choice. A mixture of grants and loans for students in higher education is being considered. · All restrictions on military

training and activity and oil

consumption by the armed forces has been lifted. Confirmation of consultatlon paper in the next few weeks on the holding of secret hallots for the election of trade union leaders and on the question of mandatory strike hallets. Plus contract-lng ont of the political levy.

going on in other departments. Their view over what the Think Tank options was that they were too extreme and politically inin opening up the charge dismantling the Welfare Continued on Back Page Conference reports, Page 14 Healey speech, Page 10

#### Government plans further sales of Britoil shares

BY RAY DAFTER, ENERGY EDITOR

there is no strategic reason for

the state to hold on to the remaining 49 per cent interest in the oil exploration and production company. But they are likely to insist that the Government retains a special share of the votes to ensure the corporation does not fall under the control of a single organisation, such as an overseas oil company. This vote

would not be used to influence commercial decisions. Mr Nigel Lawson, Energy Secretary, is expected to ontline at least some of the reasons for going ahead with the initial

sale of Britoil shares when he

-in essence, a power of veto-

THE Government is planning speaks at the Conservative further sales of shares in Party conference today.

Britoil once it has completed The Government is almost the initial sale of 51 per cent certain to proceed with the sale of the stock. ... next month on the grounds that: of the stock.

Ministers have concluded that

Ministers bave concluded that

The Treasury is anxious to receive the revenue—Ministers

the cale of 51 per now expect the sale of 51 per cent of shares to raise about £500m compared with the £750m Britoll officials earlier this year. But the Government is not con-

> next year. Ministers are concerned that if the sale is postponed, on the grounds that the market for oil shares is weak, institutional funds already earmarked for Britoil will be diverted.

vinced it will raise a higher sum

hy postponing the sale until

 Energy Department Minis-Continued on Back Page Energy Review, Page 4 Energy projections, Page 10

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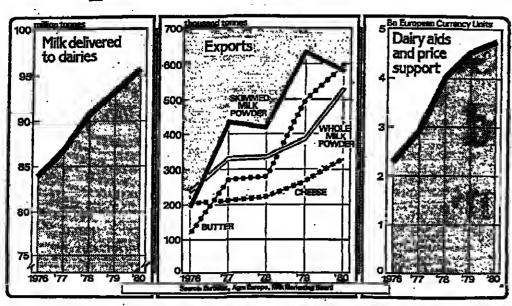
# Bumper crops bring big problems for farm budget

PROPOSALS BEFORE the Eurosuggesting large-scale subsidies for disposing of surplus butter, reflect fears in the agricultural directorate that the Community could once again be heading into a financial crisis caused by the farm products for which there is no market at realistic prices.

The farm budget for 1983 of £7.7bn could be seriously stretched by the time the year is out and there is growing concern that expenditure might again run out of control in 1984.

In 1980-81 milk output in the EEC increased only marginally. thanks mainly to the effects of bad weather on grass growth. This beloed the Commission to have a projected £840m on agriculture allocations for this year. The grass, however, has been growing well this year and milk output is expected to increase this season by almost 3 per

Added to this, the Commission expects record or nearrecord production of other commodities which will have to be disposed of on world markets. This can only increase tensions within the EEC and with its world competitors in agricultural trade such as the U.S. and



"There has been a relentless increase in output of major products such as butter and milk powder for which there is no domestic demand and which can only be disposed of by increasing expenditure from common funds to make the excess competitive on an already over-supplied international market."
—Agra Europe's "EEC Dairy Policy and Markets in the 1980s"

Faced with this dilemma, Mr sioner for Agriculture, plans to present EEC member-States

Poul Dalsager, the Commission should contain proposals imposs hard-line opinion prevails, dairy ing a price penalty on dairy farmers could experience a drop farmers.

Milk producers face tha pros-

present thinking, his package other farmers can expect. If

"The Commission is under farm-price proposals for next pect of a price rise next year pressure to let dairy farmers ment by the Commission but tremors through the Comseason by early December. On markedly lower than the award know that they cannot continue also thanks to generally higher munity.

said a high-ranking Commission

fully, that this is being done this year and will be done again next year if production is not controlled."

However, the danger remains, one critic noted, that the Commission might still bow to pro-farming pressures plucking out of thin air" a high initial price proposal, 0.5 per cent growth target set which even when subjected to in the spring. high initial price proposal, the penalty, would continue to eocourage increased output.

"It will be interesting to see," said one hard-liner, whether the Community can construct and, in the end, approve measures that will have a real

suggested that these

might have to ensure in detail that the full purchasing power of farmers is actually reduced.

to boost output while attracting world prices and specifically topen-ended financial support," the strength of the dellar. The latter two factors, how ever, remain uncertainties. Some world prices are already

"It will be trying to produce Some world prices are already e signal which farmers will showing a disturbing weakness understand and understand and many commodity analysts forecast further falls. The more Community has to pay out in export subsidies to traders to compete.

Dairy production is now estimated to be running on average at around 2.7 per cent above 1981, compared with the

When they set this target, the Agriculture Ministers said they would take "appropriate measures to offset additional expenditure" if it was The Ministers refused, how-

ever, to specify what form these measures might take and did not associate themselves Commission suggestions that a cut in guaranteed price levels might be necessary. Only 20 months ago, the cost While Community officials of guaranteeing minimum prices insist that the dairy situation and subsidising exports of farm is still under control and that surpluses was threatening to there is "no need to panic," break the EEC bank. This there is nevertheless no doubt position was reversed partly that fast-rising milk production through better market manage—is once again sending serious.

# Danish Government for required to the contract of the contract anti-inflation policy () [] St

RADICAL anti-inflation spring are within the 4 per c including substantial limit set for the public sec public spending and there will be a DKr 100 a mc cuts in public spending and social welfare programmes and the abolition of wage indexa- ary levy worth DKr 4bn (£28) tion, was presented by in 1983 and alightly more Denmark's new four-party 1984 will be levied on the Government free investment incomes non-Socialist vesterday.

Mr Poul Schlüter, the Prime company Minister, told the Folketing funds. (Perliament) in the Government's inaugural policy declara-tion that the policies were tough. But be added, if the problems of the country's large and growing foreign debt and the "explosive increase" in the budget deficit were not tackled now, they would become out of

"If we cannot solve these problems, we shall not be able to solve any of our other problems, including memploy-

ment," he said. The Government tabled 15 Bills for the urgent implementation of its main proposals, which

 A five-month freeze on wage and profit margins until next March when the current twoyear collective wage agreements in the poblic and private

eectors expire.

• Index-linked wage increeses which fall due next March will not be paid. All indexation of wages and salaries and transfer incomes (such as unemployment benefits, pensions and so on)

will be suspended until 1985. • The Government will limit the rise in public sector wages and salaries, as well as transfer incomes, to 4 per cent a year in 1983 and 1984. Public sector wage rates this year have risen by about 12 per cent and transfer incomes by about 18

Public sector spending will be. ent by DKr 20bn (£1.3bn) next year and DKr 37bn (£2.4bn) in 1984. Unemployment benefits will be reduced from 90 per cent to 80 per cent of wages, and sickness benefit will be abolished

for the first day of sickness. A DKr 5 (33p) prescription charge will be introduced. There will be no general tax increases and, if the private

posals at the end of this w but its chances of carr most of its proposals seen The Government took ( last month after Mr Joerge resigned when he reelised
be would be unable to m
e majority for a less ra
programme of spending
than is now proposed.

M. Schillter prid that

cut in income tax. But a tem

pension funds and life insura

incentives is promised for

business sector, but employ

tributions are to go up, dividends and managen bonuses in the cext two y must not exceed the 1982 le

Extreme left-wing partie

the opposition described

programme as an anti-de cratic attack on the foundat

liminary comments by un

leaders were not encoura

either, but the leader of Social Democratic Party, for

sen was guarded in his oments. He said, bowever,

his party could not accept

cuts in unemployment ber

.The prospects for the Got ment in winning parliamen

approval for its programme emerge initially in the I Reading debate on its main

Prima Minister Anker

and sickness benefit.

of the welfare state.

Mr Schlüter said that in face of increasing bankrupt unemployment and cutilify account deficit, there was one way to go: Danish panies must be made r competitive and the increase money incomes reduced the 10 per cent a year rat

FINANCIAL TIMES, published except Sundays and holidays, subscription rates \$385,00 per at sector wage agreements next

# Kirilenko's absence deepens uncertainty about the Soviet leadership

BY ANTHONY ROBINSON IN MOSCOW

76-year-old polithuro member, of other leaders under an then Ukrainian party boss, official obituary. Diplomats Nikita Khruschev, who picked described the omission as most unusual, Soviet officials declined all comment end the Moscow to replace those killed in Stahn's rumour machine speculated that purge Mr Kirilenko was either dead, dying or demoted.

October 6, 1982

Mr Brezhnev, he owed his early

THE UNCERTAINTY shronding in recent years but was formerly 13-man polithuro, already central committee secretariat around the capital that Mr Indian Premier, and are also the Soviet leadership deepened considered a possible successor: shaken by the death last Janupost past May. The only two breather might retire from at yesterday when the signature of Mr Andrei Kirilenko, ailing, mho is one year his junior. Like Mikhail Suslov. He was convery high profile occasions. In men have been allowed to step failed to appear alongside that rise through party ranks to the sidered en ally of Mr Brezhnev. June, he accepted a medal from forward to greater prominence. bead of the KGB.

r Kirlienko was either dead, Mr Kirlienko's removal from Mr Andropov bas largely kept. While Mr Andropov bas largely kept. While Mr Andropov bas ring or demoted.

He has suffered poor health balance of power within the won promotion to a coveted reports were allowed to float

but the choice of successor is the city of Kiev in the name more likely to reflect the rising of the entire Soviet leadership, influence of other fections, and in August he led the dale-particularly that associated with gation which welcomed Mr particularly that associated with gation which welcomed Mr Mr Yuri Andropov, the former Brezhnev back to Moscow after his holiday in the Crimea.

This advertisement appears

as a matter of record only.

men have been allowed to step The first is Mr Mikhail Gor-

bachev," a clever 53-year-old

lawyer with agricultural experience who was promoted to the politburo three years ago, and Mr Vledimir Dolgikh (58), a dour former industrial manager from Siberia who was a protege of the lete Mr Nikolai Kosygin and is tipped to follow bis mentor into the premier-

of Mrs . Indira Ghandi, the generation,

state and perty delegation led by President Truong Chinh. These are believed to be covering the likely repercussions on Vietnam of new Soviet over-tures to China, and Moscow's dissatisfaction with the way. Soviet aid has been used in South-East Asia.

expected to take part in the

delicate discussions taking place in Moscow with a Vletnamese

Increasing the international exposure and experience of the Kosygin and is tipped to follow bis mentor into the premiership.

Both featured prominently during the recent official visit their toll of the Brezhnev the Brezhnev their toll of the Brezhnev their toll of the Brezhnev the Brezh

NEW ISSUE

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October 6, 7982

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# plan for regular talks on security

BY JAMES BLICHAN IN BONN

WEST GERMANY and France on issues of European security in the first important foreign policy decision of the new conservative government in Bonn.

Foreign and Defence Ministers of the two countries will meet in Bonn on the morning of the Franco-German summit on October 21 to define tha scopa and topics of the con-

West German officials said only issues of security, dis-armament and joint defence would be discussed, although there is some suggestion that the meeting will develop into a regular event.

The decision was taken during talks in Paris on Monday evening between President François Mitterrand and Dr Helmut Kohl, tha new Christian Democrat Chancelor, making his first trip abroad since taking power last

The visit was undertaken to AP adds from Brussels: Dr express the "fundamental Helmut Kohl met three leading significance" of Franco-German European Christian Democrats relations irrespective of the figures or parties in power. It concentrated on what Bonn officials called the "basics" of East-West relations, disarmament, and the strengthening of Nato and European co-operation, but did not include economic

The notion of more intensive was mentioned in the com- Parties in Europe.

muniqua from the last summit meeting in February, but the October 21 talks will be the first

Since February, the political uncertainties in West Germany have hindered progress in security co-operation, and Chancellor Helmut Schmidt's failure to persuade parliament of the virtues of a Franco-German battel tank for the 1990s contri-

bute to wariness.

There have also been reports that Paris was unhappy with suggestions that the former government was leaning ards the Soviet position that the French independent nuclear deterrent should be covered in Geneva talks on intermediate range nuclear forces.

However, it is understood

that the Kohl government—and its francophile Defence Minister, Herr Manfred Woerner-have no intention of starting in office by questioning

basic French positions.

AP adds from Brussels: Dr Heimut Kohl met three leading yesterday in a private visit to Belgium that was scheduled before he became Chancellor. He met Mr Leo Tindemans Belgium's Foreign Minister, Sig Ceriaco de Mita, tha secretary-general of Italy's Christian Democratic Party, and Sr Diogo Freitas do Amaral of Portugal, the current president of the bilateral discussions on security Union of Christian Democratic

#### Madrid moves to counter pressure for plot details

BY ROBERT GRAHAM IN MADRID

THE Spanish Government yes- terday, It was suggested unrequested the Permanent Standing Committee of Parliament to meet in special session to allow Sr Alberto Oliart, the Defence Minister, to brief representatives from all parties on the scale and nature of the military plot unmasked

At the same time, the Supreme Military Council of the army, the highest consultative body of the army that includes the Captains-General of the nine military regions, was due to meet yesterday in Madrid to consider the con-

Details of the plot emerging in the Press indicate that a group of colonels intended to sieze power on October 27, the eve of Spain's general election. The plotters planned to gain

control of all key communications buildings in Madrid, take over ministrles and neutralise the royal palace and the Prime Minister's office. They were relying on officers in strategic units throughout the country to take over command from their

Three colonels were arrested on Saturday morning. So far approval, if not the full sup-no new arrests bave been made port, of these generals if it is but both military and civilian to pro-detentions could follow. Yes- arrests.

BY DAYID WHITE IN PARIS

rand is due today to start bis

second official trip to black Africa, on the occasion of the ninth Franco-African summit

meeting being held in Kinshasa,

where a record number of more

than 40 countries are expected

Friday and Saturday, is billed as the most important African

conference of the year, follow-

ing the failure-for lack of a

quorum—of the Organisation of African Unity meeting in Tripoli in June.

M Mitterrand, whose Govern-

The summit, taking place on

to be represented.

officially that up to 100 officers bad been contacted by the plotters. However, the Governmen stage the plot was aborted.

There is a growing feeling that the conspiracy was the reactivation and perfection of plans discussed last year for a bard-line "Colonels' coup." During the trial of the 32 officers in connection with the abortive take-over of February 23, the prosecution claimed that three plots: were being considered. One of these tovolved colonels going against their superiors and was scheduled for May 2

The Government has come under increasing pressure to explain the event that led to the arrest of the three colonels and the nature of the conspiracy. The move to convene the Permanent Standing Committee of Parliament is designed to head such pressures

Meanwhile, yesterday'a meeting of the Supreme Military Council was primarily aimed at sounding out the view of the army's generals on how to deal with the plot's implications. The Government will need the port, of these generals if it is to proceed with large-scale

Aid issue high on Mitterrand's

PRESIDENT François Mitter- stitute for regional and interna- Habre, whose forces gained

which brings in a wide range of observer" nations in addition

to the core of former French

and Belgian colonies which

have participated in the sum-mits since they were launched

by President Georges Pompldou

Mobutu is said to be anxious to

re-launching the abortive OAU meeting, the French side will concentrate on aid for the

poorest countries and ways of

pull off a diplomatic coup by

Zaire's President

While

summit agenda in Kinshasa

# Franco-German | Challenge to Haughey symptom of wider disaffection

ment statement.

Haughey's only known criics in the cabinet are Mr Desmond O'Malley, the Trade, Commerce and tourism Mnister, who mounted an unsuccessful leadership challenge last February, and Dr Martin O' Donoghue,

Minister of Education. Few people believe Mr Haughey will be ousted from office but clearly be faces a formidable challenge. He has been fighting for his political life nore or less continuously for 12 years, ever since he was dis-missed from Mr Jack Lynch's Government over the alleged

refused to pledge support for He is very good at it by now, him in today's Fianna Fail par- and may well survive today's nohamentary party meeting where confidence motion. But win or he faces a motion of no con- lose, the real question is bow

fidence in his leadership.

In the damage will be done to his party and his minority Hanghey at a Cabinet meeting administration by the second yesterday but two reserved their position, according to a government. One of Figure Fail's most im-

placable critics, Dr Conor Cruise O'Brien, expressed the view in his Irish Times column that it would be better if Mr Hanghey won today's vote. His reasoning was that under Mr Haughey's leadership, the party would be more likely to suffer a crushing electoral defeat.

and the sbadowy group of poli-ticians who devised the strategy of a surprise "no confidence motion.

McCreevy, a backbench MP,

They struck believing an

TWO OF Mr Charles Haughey's plot to smuggle guns to Nor- called by Mr Haughey or forced Irish cabinet colleagues have thern Ireland Catholics. on him by a defeat in Parliament. They also believe that a ln this area. Instead, the majority of Fianna Fail MPs think they would be defeated and, more worryingly, targets in such an election, and bope and estimates during his two this will persuade them to

ditch Mr Haughey. Either way, they risk fatally damaging the authority of the minority administration and perhaps even the position of Fianna Fail as the natural party of government in Ireland. The fact that they are willing to take the risk is a measure of the depth of feeling in the party on the question of Mr Haughey's leadership.

The same reasoning seems to the situation has worsened bave motivated Mr Charles since Mr Haughey assumed office. Those who were previ-ously neutral—including many businessmen and trade unionists—frequently cite Mr Haughey's handling of tha economy as their main reason

The divisions cannot be put down solely to history because

It was widely thought that he would prove tough and decisive economic position has worsened and estimates during his two terms of office bave consistently

been breached. A measure of the credibility problem is that this week's draft agreement on pay with the public service unions-which might normally be regarded as a success for the Government—has been seen insead by some observers as another climb-down.

To these difficulties must be added the series of events involving ministers, such as the resignation of the Attorney General Although no one can show wrong-doing on the part of ministers, confidenca has

Beyond Flanna Fall's problems, It is hard to escape the feeling that there is a crisis of confidence in the republic and to cope with unprecedented fore more a lack of belief in the ability of political, economic and social restored. confidence in the republic and



the country and its institutions

Indications of social breakdown such as crime, vandalism and drug abuse, while small by international standards, are spiralling upwards. The police force is increasingly criticised for indifference and inflexibility, while the public service

Mr Haughey may no longer seem the right man to deal with those problems, but none of his likely successors, such as Mr George Colley, the former Deputy Premier, Mr O'Malley, or Mr Ray McSharry, the Finance Minister, would command widespread national sup-

remains unreformed and ineffi-

Fine Gael leader, waits in the wings, but there are question-marks over his judgment as a result of his seven months in office. The political system may require further upheavals before more stable government is

#### **Second Cabinet** surprise

By William Dullforce in

THE SWEDISH Prime Minister. Mr Olof Palme, has appointed Mr Lennart Bodström, chairman of Sweden's federation of whitecollar trade unions, as Foreign Minister in the new Social Democrat Government. Mr Thage Peterson, the party's spokesman on industrial affairs, will become Industry

Mr Bodström (52) is the second surprise in Mr Palme's Cabinet nominations. Last week be chose Mr Börje Andersson, a local politician, with no previous experience of defence issues, as Defence Minister.

The new Foreign Minister has been a controversial figure over the past few years ecause af his support for the Social Democrats' plan to introduce wage-earner funds financed from company's pro-fits. His white-collar federation in principle is politically-

Mr Palme said yesterday that Swedisb foreign policy needed a person of firm principles and good nerves to lead it. Mr Bodstrom's appointment demonstated the weight his Government would attach to co-overation within Europe,

Mr Bodström's experience of foreign affairs has been gained mainly within European trade union co-operation and on committee work within the Organisation for

power in the war-torn former

Chad last month to examine

ways of reinforcing French ald,

particularly in order to get the machinery of the administra-tion and public services going

M Mitterrand said, however,

that France would no longer "play the role of 'gendarme'

in support of one or another

faction in Chad or anywhere

May, M Mitterrand set out to

During his first presidential visit to sub-Saharan Africa in

Mr Peterson, Industry Minister, faces a tough task in trying to stimnindustrial renewed growth in Sweden to indge by the gloomy survey of companies' expectations published yesterday by the National Institute of Economic

# Sweden drops depth charges on submarine

STOCKHOLM — The Swedish holm archipelago since last Fri-Navy yesterday dropped depth day.

Charges on what was believed to

Under present law, the navy be a foreign submarine lurking is limited to scaring off sus-near an important naval base, pected U-boats without inter-the defence staff said.

The navy intended to force sist in intruding. A naval the submarine to the surface spokesman said the submarine without damaging it, but local bospitals bad been alerted as a precaution, the staff added.

The use of depth charges was suspected submarines since a Soviet submarine ran aground near the Karlskrona naval base

koa naval base in the Stock- coast.

near Muskoe posed such a serious threat that it must be forced up and identified.

Mr Jan Aka Berg, Defence the most serious development Staff spokesman, said last night in several incidents involving the navy bad the necessary political authorisation to inter-

cept the submarine. The vessel is not trapped and bas a slim chance of escaping The navy has been hunting through the mesh of tiny the submarine close to the Mus- islands along Sweden's eastern

Admiral Christer Kirkegaard, bead of the Muskoe base, said the navy bad fresh evidence the area and bad dropped small depth charges weighing 50 kg each for about half an bour.

More charges would be

dropped each time the navy made contact with the vessel until it rose to the surface, be After last October's sub-marine incident in Karlskrona,

Sweden said it believed Soviet submarine 137 was carrying nuclear weapons. The Defence Staff sald yester-

"as far as we know

explode any nuclear arms with

day that depth charging should

wblcb the U-boat might be

Mr Lennart Bodström, tha new Swedish Foreign Minister, said if a foreign submarine ws found to be deliberately violating Swedish territory relations with the foreign country would inevitably

He was speaking after his appointment to the Cabinet being formed by Mr Olof Palme, the Social Democrat, who won last month's general

Defence officials said all Sweden's Baltic neighbours bad submarines operating in the area.—Reuter.

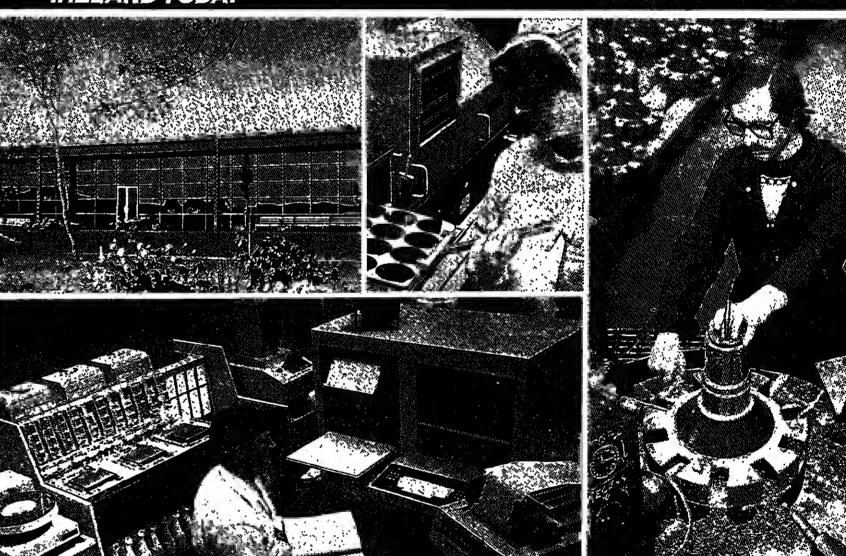
#### Glemp calls off N. America trip

By Christopher Bobinski in

THE POLISH Primate, Archsishop Jozef Glemp, has postponed his planned trip to North America, in addition of his visit to Rome, as a result of the Government's intention formally to ban the Solidarity union at the

end of the week. His decision has been taken partly in protest at the authorities' action and partly out of concern about the danger of street demonstrations. The archbishop is also thought unlikely to go ahead with a meeting today with General Workiech Jaruzelski, Poland's military

#### IRELAND TODAY



# Where Private Enterprise is Public Policy.

#### ment has consistently bowed to the OAU's authority in resolvre-assure France's traditional counteracting fluctuations in raw material prices. The meeting will be marked by the presence of M Hissene allies, somewhat unnerved by ing African conflicts, said yesthe political change in France. terday that the Franco-African The emphasis on continuity France's relations with meeting should not try to "sub-Africa is illustrated by the inclusion of M Robert Galley, WE, THE President Giscard's Minister of Co-operation, in the official French party and by the fact LIMBLESS, that the summit is being bosted LOOK TO YOU by President Mobutu, whose regime has in the past been FOR HELP fiercely attacked by the French Socialists. A plan to hold the summit ln We come from both world wars. We come from Korea, Kenya, Malaya, Aden, Cyprus . . . and Kinshasa a year ago was dropped after the Socialists' from Ulster. Now, disabled, we must look to you for help. Please help by helping our Association. BLESMA looks after the limbless from all election victory and the meeting was held instead in Paris in

tional organisations."

Dower in the war-torn former

He emphasised tha "infor-French colony of Chad in
mal" nature of the meeting. June. A French mission visited

again.

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M Mitterrand's trip takes in three of Zaire's neighbours, the

former Belgian territories of

Burundi and Rwanda and, following the summit, Congo-

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Los Angeles, Hnuston, Cleveland, San Francisco, Boston, Furt Lauderdale, Sydney, Tokyo.

# recovers sharply after plunge

BY ROBERT COTTRELL IN HONG KONG

narket bounced back sharply yesterday after a shaky opening which took the Hang Seng in-dex down almost to the 800 mark. Unconfirmed rumours that People's Republic of China hanks in Hong Kong are pre-paring to make 20-year mort-gage loans running beyond the 1997 deadline of the new terri-tories lease was the main factor cited as underlying the re-covery. The Hang Seng index closed the day up 65.75 points at 881.96, firming throughout tha day from a 6.65 loss which left it at 809.58 at 11 am.

The Hong Kong dollar followed a similar pattern of setback and recovery against the U.S. currency, in very thin trading across a wide range. Dealers saw local openiog quotes of HK\$6.54 against the U.S. currency fail away to breach the HK\$6.70 mark shortly before mid-day.

extreme extreme weakness commercial huyers back into the market and late trading in Hong Kong saw the local unit strengthen to HK\$6.48.

Yesterday's Yesterday's stock market recovery followed six days of atraight selling fuelled by politi-cal nervousness, which saw share values alasbed by ooequarter. Trading veaterday was beavy, totalling HK\$321m on

The shift in mid-morning aentiment apparently led to cover- and re-export volume 4 per ing of abort positions, with the cent lower than in July, 1981. recovery gathering momeotum as bargain-hunters moved to. declined by 3 per cent, prices Rumours of the 20-year mort-rose by 8 per cent. Imports gage scheme ran through the dropped 3 per cent by volume markets, but at the close of trading, brokers were little the dation. The Bank of Chioa, the leading PRC bank in Hong Kong, declined comment

At present, leases and mortgages on new territories Sir Paul Bryan, MP, chairman property expire just before the of the all-party Anglo-Hong 1997 deadline. If the Bank of Kong Parliamentary group, said China and its sister banks did unveil the rumoured scheme, it the positive aspects of Prime would offer a pointer towards Minister Mrs Thatcher's recent

taking the most elahorate pre-

#### Vietnam calls for China thaw

Vietnam yesterday joined the Soviet Union in calling for normalisation of relations with China, AP reports from Moscow. A report issued by the official Soviet news agency Tass said President Leonid Brezhnev and chairman of the Vietnamese State Couocil, Truong China agreed during talks in the Kremlin that imrelations between Vietnam and Cbina and between the Soviet Union and Chioa would be ln the interests of all three nations.

Mr Brezhnev has urged better relations with China during a speech in the Southern Soviet city of Baku oo September 26. The joint appeal also coincided with the visit to China of a Soviet delegation beaded by Depoty Forelgo Minister Leonid

The impression left by vester-day's atock market trading is ally-based bearish sentiment has been ao bad in recent days that the market is willing to grasp at any positive indications. Hong Kong'a external trade daily average for the first balf figurea for July, published of this year of HK\$205m. gesterday, ahow domestic export volume down by 2 per cent aod rose 4 per cent by price. Mr Jobn Bremridge, the Financial Secretary, last week revised his forecast for Hong Kong's real domestic export perform-ance down from 7 per cent growth to 2 per cent decline

in Hong Kong yesterday that

# Hang Seng index J.D.F. Jones in Johannesburg explains why the gold price boom was not enough to buoy up the economy Why South Africa has turned to the IMF

SOUTH AFRICA has blackballed by so many of the world's clubs and institutions that it dearly respects those, like the International Monetary as a full member. It also likes to boast of obeying the rules: Mr Owen Horwood, the Finance Minister, complaceotly observed at this year's IMF meeting in Torooto last month that be doubted whether any other country was "farther aloog the IMF's atated lines than South

Africa. Now, baving decided that the pressure oo the reserves caused by the balance of payment deficit cao be tackled only with the help of a SDR 1bn (£633m) lic is going to discover how much it eojoys the supervisioo

that such a loan estails.

Presumably the detailed negotiations between the South
Africans and the Fund are well under way, io spite of anothe of Mr Horwood's statements in Toronto ("We bave met here with officials of the Fund and at no stage whatsoever did we make any approach at all coo-cerning assistance from them"). In essence, the South African

problem is that after several years of triumphaot growth oo the back of a gold price boom, the terms of trade have turned sharply against the economy—a phenomenon which traditionally bappens several years after the rest of the world economy turns

ment failed signally to restrain imports in time, with the result that the balance of paymeots current account was trans-



deficit of R3.7bn (£1.89bn) in 1981. The descrit is now ruoning an annual rate of R5.4bn (£2.8bo). Since Mr Horwood'a announce-

ment on Monday of the formal request to Washiogton it has been clarified that South Africa would seek to draw this year her full Compensatory Financiog facility of a total SDR 636m. General of the Finance Department, said yesterday that the remainder of the funds would mines, aince the rand-price of

CURRENT ACCOUNT OF THE BALANCE OF PAYMENTS

	-		
	1981	1	982
		îst qtr	2nd qtr
Net service and transfer payments of Current account balance	9,328 8,338 18,171 3,442 3,947	9,660 4,970 20,070 3,450 6,890	10,040 7,080 —19,270 — 3,250 — 5,400
Source: Reserve Bank of South Africa			

need to be drawn from the first, aecond, and part of the third of the four credit tranches that up South Africa's full

Africa's economic management is going to be inspected in a number of areas which in 1982 have already seen the sort of measures which to find favour with the fund, for example, the previous policy io Pretoria under which interest ratea had fallen far out of line with the international trend-so much so that in 1980 the IMF specifically recommeoded against this has been changed. The prime overdraft rate today stands at 20 per ceot with no one expecting significant reduction until well

Furthermore, tha rand bas been allowed to depreciate dramatically, without an artificial holding operation, so that the commercial rand fell 35 per cent against the dollar between

has been strongly

cushioned against tha collapse in the dollar-price. The buoyancy of imports had become such a worry that in his February mini-budget Mr Horvood introduced a 10 per cent import surcharge. It has been hard to estimate the true impact of the measure, especially as so many categories are excluded that it applies to less than 50 per cent of the import bill. It was significant that on Monday Mr Horwood coupled his announcement of the approach to the Fund with the reduced to 71 per cent next January—a cut which hardly seems likely to make such difference but which may be a

symbolic gesture to the Fund. Another Government step which must surely bave been taken in the knowledge of an early recourse to the IMF, was Tax early last month from 5 to 6 per cent (it also went np last March, from 4 per cent). In on the other Dr De Loor has South Africa the GST is a recently been hoping for a delicate tool since it is not only decline in real terms in state

was frank: the exchequer of payments) is fundamental, account, that is, spending by and unforecastable. (The Government departments, was average dollar price this year in trouble. According to the has so far, at \$358 been exactly financial year was running 16 per cent higher than the pre-vious year, whereas tha minister in his budget had relied on an estimate of an 11;

per cent increase for the year Clearly, additional revenue had to be found even before anyone started talking of additional appropriations in the next session of Parliament. This is one of the areas where the role of the Fund is going

to be especially interesting. A tradition has grown up in South Africa whereby certain departments of state, entrusted with the running of the apartheid system, have become so strong that their subservience to the Treasury is open to question. Defence is simply the most obvious and understandable example, where a Defence Minister, secure in the

sympathy of the Prime Minister, can argue that the very exisjeopardy if additional funds are not mada avallable. There is still plenty of roon

for argument about the size of the exchequer problem. On the one hand there is talk of necessary extra funds for drought relief and food subsidies, as well as defence while mines, aince the rand-price of directly inflationary but it spending this year.

strikes principally at the black In all this of course, the and unenfranchised poorer movement of the gold price timpacting on the revenue account as well as the balance

Reserve Bank, spending in the \$100 lower than the average first four months of the for the whole of last year.) The South Africans will be relieved to be able to show a dramatic turnsround on the dramatic turnaround on the money supply figures, where the Reserve Bank had been struggling apparently in vain, to restraint the monetary expansion. But in the words of the latest Reserve Bank quarterly: "After reaching 41 per cent during the first quarter of 1982, the seasonally adjusted annual rate of increase in the broad money supply (M2): in the broad money supply (M2); alowed down to only 2 per cent. during the four months to only slightly in the past three months, from 16 per cent to about 14 per cent, it is an area

where the Fund will pre-sumably show a keen interest. Assuming that the main terms and conditions have already been worked out, the point has not yet been publicly acknowledged here that access to the IMF credit tranches must "conditionality."

South Africans generally believe they have done much to put their economic house in order in recent months, but they have not yet begun to ask themselves whether some of the pillars of that house a dual exchange rate system, to name just one example—might be queried by their new international guardians.

# Japanese policymakers still split on economic strategy

JAPANESE policymakers Cabinet is scheduled to make a final decision on Friday.

The result is likely to be a weaker set of measures than ministers backing strong reflatiooary steps would favour. The Ministry of Finance, as the leading advocate of fiscal austerity, la not expected to approve a request for Y2,500bn (£5,47bn) to Y3,000bo in additional public works spending.

Economic Planning majord deeply split as the Agency, backed by the Ministry deadline for formulating a of International Trade and to stimulate the Industry, believes such a boost draws near. The ia needed to lift real growth scheduled to make a rates for the year (ending March 1983) higher than the current estimate of 2.7 per cent per

> The Finance Ministry is sceptical of the impact of public works spending on the economy. In any case, finance officials have decided the government cannot afford to spend much more money because of an already buge budget deficit.

Instaad, the Finance Ministry such will most likely stand firm on econd spending to a maximum of Y1,500bn (or less). The Min-istry'a emphasis will be on spending for disaster relief and

The package will probably also include tax credits for small and medium size companies to encourage capital spending. and an effort to bolster housing demand through easier financ-

wide economic policy so late in the decision-making process. This can be attributed partly to a genuine difference of opinion over the benefits of Keynesian type measures to stimulate the

Mr Toshio Komoto. director general of the planning shot of government spending can, and should, be used to achieve higher growth, though nobody agrees on how much It is highly unusual for the extra growth can be squeezed Mr Suzuki has handled a Japanese government to display out of the economy. Opponents and fiscal policy.

ernment'a finances is a more urgent task. The economic argument has

been coloured by the delicate Liberal Democratic Party's leadership election, scheduled for late November. Mr. Komoto is a possible challenger to the Prime Minister, Mr Zenko Suzuki. He and others in the Liberal Democratic leadership have been critical of the way Mr Suzuki has handled economic



# U.S. Marines find strange new role on Beirut's streets

annum.

not shot at by so much as a but the Marine's latest landing pea-shooter. As one retired must bave been one of the Marine officer put it last week: cushiest of the more than 300 they bave carried out since the The Marine's second Beirut force was 6rst set up during the

operation is a long way from revolutionary war in November their traditional role of atorm-ing beaches and islands in the a raid on the Bahamas. teeth of enemy fire. They would bave been at home in the Falk. Tripoll to rid the Mediter- They are not allowed to engage the mortal bave been at home in the Falk. Tripoll to rid the Mediter- They are not allowed to engage to sensitive to foreign military extended to 90, but only under bazookas and tanks as well.

TO MANY Americans, there is a certain from in sending in the Marines, supposedly among the of people on this side of flag over the National Palace in the Marines, supposedly among the of people on this side of flag over the National Palace in the marines, supposedly among the of people on this side of flag over the National Palace in the marines, supposedly among the of people on this side of flag over the National Palace in the marines, supposedly among the national people of icarious thrills to a great num—
is and raised the American bave loaded guns—although the any venture is seen as potentifor example, has to certify that they can slip ally a damaging and unnecest there is an "unavoidable milibrate has been one death and war of 1846-48—the two events or two seconds" if they need to less than four weeks away.

It is any venture is seen as potentifor example, has to certify that they can slip ally a damaging and unnecest there is an "unavoidable milibrate has been one death and war of 1846-48—the two events or two seconds" if they need to less than four weeks away.

It is any venture is seen as potentifor example, has to certify that they can slip ally a damaging and unnecest there is an "unavoidable milibrate has been one death and celebrated in the opening lines defend themselves. They have under the complex has to certify that they can slip ally a damaging and unnecest there is an "unavoidable milibrate has been one death and celebrated in the opening lines defend themselves. They have under the complex has to certify that they can slip ally a damaging and unnecest there is an "unavoidable milibrate has been one death and complex has to certify that they can slip ally a damaging and unnecest there is an "unavoidable milibrate has been one death and complex has to certify that they can slip ally a damaging and unnecest there is an "unavoidable milibrate has been as potentifor the properties of the complex has to certify that they can slip ally a damaging and unnecest there is an "unavoidable milibrate has been as potentifor the properties has the certific has the complex has the certific has the

> and control intersections jointly with their Lebanese counter-

Their mission in Beirut must

of the Marine hymn, "From the been assigned a slx-square mile balls of Montezuma to the shores area around the airport peri-of Tripoll. . . ." area around the airport peri-meter to the south of the city. leaving the French and Italians the legal position is less than be unique. It is in the words of to guard the main flashpoints the Pentagon, "to watch traffic the Palestinian refugee camps. to guard the main flashpoints,

There is good reason for these extraordinary precautions.

operate abroad under the tight

conditions of the War Powers Act, a Viatnam legacy, although

Under the Act, the President can send forces abroad for up to 60 days without Congressional

Also unclear is when they are forces (Israeli, Syrian and Palestinian) withdraw, or after.

There is even disagreement over whether this mission is more or less dangerous than their first landing six weeks ago. Last time, however, they carried pistols, rifles and machine guns. This time they have mortars,

# Israeli economists concerned at possible U.S. aid cut

BY DAVID LENNON IN TEL AVIV

ISRAEL'S ability to withstand nothing to help the country U.S. economic pressure has become the subject of fierce debate among Israeli economists since the possibility of cuts in U.S. aid has become more real.

The Israeli economy's weak point is its foreign debt of more the balance of payments deficit, than \$18bn (£10.7bn), the which has caused concern.
equivalent of \$4.500 per capita. Mr Arnon Gafny, former Interest and repayment of this debt came to \$2.2bn last year, equivalent to the total amount of aid provided by Washington

in 1981. The Government's attitude to the potential problems has centred on two arguments, firstly, that the U.S. will not cut iffelly, that the U.S. will not cut ald, as it has repeatedly assured large, as it has repeatedly assured large, as the ing the link between Israel's ing the link between Israel's political image and its economic standing. "If Israel wants to the favourable structure of continue to receive economic standing." Israel'a debt.

tic. They say that in the first military imports, a step which is place, the decline in Israel's already under consideration. standing in the U.S. because of This has been made all the standing in the U.S. because of the war in Lebanon is very more possible by the defeat of likely to lead to a squeeze on U.S. aid. In the second place, damage to the country's standing soroad will also adversely the charges of domestic critics affect its ability to replace aid who point ont that much of the with loans from commercial growth in foreign debt in recent banks.

They further argue that tha poor performance of the productive imports such as food, economy this year has done clothing and luxury goods.

ecocomy this year has done clothing and luxury goods.

resist external economic pressure. The cost of the war, about 5 per cent of GNP, is not the problem; it is the growth is inflation, to more than 130 per in the wake of the invasion of cent annually, the decline in Lebanon.

exports and the rise in imports together with the widening of ?

Mr Arnon Gafny, former Governor of the Bank of Israel, wrote recently that if the Government bad asked its economic advisers about the readiness of the economy for a war, then they would have said that this was not the idealmoment. Ha complained that the

Officials at the Bank of Israel point out that three quarters of Israel's external obligations are long term, low interest loans from governments and only 13 per cent comprised short-term loans.

Critics of the Government dismiss its attitude as unrealistic. They say that in the first aid," Mr Gafny wrote, "

#### Many arrests as army searches West Beirut

BEIRUT — The Lebanese Lebanese army units, but were army yesterday arrested a large not involved in any arrests.

number of people and confist The exact number of arrests cated weapons and amministion was not immediately known as cated weapons and amminition

campaign. French units of the Italians and U.S. Marines, provided limited support to the Minister.

All streets leading to the

in a massive sweep of mainly were seen rounded up. The Moslem West Beirut. It was the right-wing controlled Voice of the search continued but scores biggest show of force by the Lebenon radio said a "large army since the 1975-76 Lebanese number" of illegal aliens and civil war when the country's people whose papers were not regular armed forces dis in order were arrested.

AP

David Lennon adds from Tel central shopping district of Aviv: Israeli and U.S. officials Haura were closed to traffic and met in Jerusalem yesterday to pedestrians while the army discuss the withdrawal of carried out the acarch and arrest. Israeli troops from Lebanon. Mr Morris Draper, U.S. spemultinational peacekeeping cial envoy met Mr Menahem force which also includes Begin, the Prime Minister and Mr Ariel Sharon, the Defence

#### **ENERGY REVIEW**

# Sudan forced to change oil strategy

By Rick Wells, Khartoum Correspondent

THE RECENT decision by the exploration effort being under-Sudan Government to abandon taken by Standard Oil of Calirefinery, scheduled for construction early next year, and
instead build a 900-mile pipeline from the cilfields in the
line from the wart interior to the cilfields in the
line from the wart interior to the cilfields in the
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line from the cilfields in the
line from the cilfields in the line from the cilfields in the
line from the cilfields in the line from the cilfield line from the remota south-west interior to a daily flow of 2,800 b/d and the Red Sea coast. represents that a number of other wells a major shift in the country's being tested promise "far more The change appears to have The question of reserves, been dictated by the immediate however, is a difficult one and The question of reserves, problems of Sudan's balance of bas been somewhat confused by problems or Satista and its continuity of the sing inability to service its heavy debt borden. The aim is to pressure and therefore need to

ing inability to service its heavy debt borden. The aim is to speed up commercial production by a year, with oil coming on-stream for export in 1985, thareby earning much needed foreign exchange almost on The decision means that instead of aiming to refine domestic crude as a substitute

crude and refined products financed by exports of its own beavy crude. The 22-incb pipeline linking the Unity field being developed by Chevron Oil Company (Sudan) with Port Sudan will cost around the same as the refinery project—an estimated \$900m. A parallel eight-inch products pipe will also be hullt to carry gas oil or kerosene barrels, certainly not enough for inland from the existing 26,000 an export industry based on b/d Port Sudan refinery to mlx with the waxy Sudaneae crude so that It can be pumped to the coast and to help meet domestic

for expensive oil imports Sudan

will continue to import light

According to the Government.

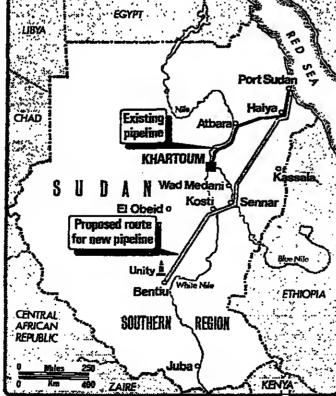
be water-flooded to aid the oil recovery process.

"Technically speaking, unless water-flooded techniques bave been proven to work in Sudanwhich they have not yet-you cannot claim to bave any reserves at all," said Mr Pbilip Harvey of Standard Oil of Cali-fornia. "However." be added. Chevron believes there are coough reserves there to justify a pipeline and ia therefore willing to continue developing felds with Chevron money." Chevron. which started exploration in Sudan in 1975, is currently spending around balf a million dollars a day there.

Moderate estimates bave put total reserves in Chevroo's concession area at just 200m

needs. Initial capacity of the serves as 10bo barrels appar-main pipeline will be 50.000 b/d, ently stemmed from a misquoserves as 10bo barrels apparwith a potential expansion to tation and, in fact, represented 100,000 b/d using additional a highly speculative guess of boosters, if future discoveries potential reserves for the whole

Chevron — which is currently Company—established in West Germany's Mannesmann, engaged in the largest overseas August 1981—with Chevron, the Snamprogetti of Italy, France's



At the other extreme, reports in the local and foreign Press, giving sudan's estimated reports of Arab Investments Corporation (Arab Investments Corporation bolders. It is understood that only the five consortia shortlisted for the refinery will be allowed to tender for the pipeline, with an option of taking country.

on new partners if need be.

The pipeline will be financed Lead companies of the consortie further discoveries in Sudan by by the White Nile Petroleum are JGC Corporation of Japan,

with the refinery project. Investment for an import substitution project in a country with Sudan's debt problems was not forthcoming. A pipeline that will generate hard currency to pay for itself over a relatively short period seems a much However, none of the plans

whether refinery or pipeline— will solve the country's immediate energy crisis. Oil was, and still la to some

extent, held out to be Sudan's great hope of salvation. With companies queuing for the available concession areas following the exciting discovery of Chevron's Unity field in 1980, it seemed only a matter of time before Sudan would be supplying its domestic needs—thereby finaocing its all important agri-cultural development—and possibly even exporting some.

Now, more than two years on, with a chronic fuel shortage affectiog the whole country as a result of lack of cash, the Government has had to face up to an awkward aet of priorities regarding its oil policy. In short, long-term national in-terest is to be sacrificed for immediate and pressing needs.
The modern sector of Sudan's economy is beavily dependent

on imported oil. The ataggering increase in the cost of imported oil from \$116m in 1976-77 to around \$500m last year put great pressure on the Govern-ment to lift and refine its crude as quickly as possible. The decision to build the country's second oil refinery at Kosti, some 224 km south of Khartoum, at the focus of a growing centre of industrial activity - with the giant Kenana sugar factory and other sugar schemes nearby had clear economic advan-

In preference to the site origi- world market prices. naily proposed at Bentiu oil. special \$1m fund was raised for ever, will burt those citizens development schemes in the who can least afford it.

for exploiting Sudan'a own oil- Bentlu srea. News that the oll will now be pumped directly to Port Sudan for export is likely to be equally unpopular with sontherners.

Meanwhile, urgently needed oil supplies arrive plecemeal fashlon. At the beginning of

the year, a gift of three moutha supply of oil arrived from Saudi Arabia. When that ran out all local and foreign banks were asked by the Government to contribute \$1m to \$2m towards financing the \$84m cost of a further three months supply.

A second request to the banking consortium failed and led to a financing agreement be-tween the Faisal Islamic Bank. and the state-owned General Petroleum Corporation (GPC) in which Faisal is to buy 50,000 tonnea of mainly unrefined petrol from Saudi Arabia's state-owned Petromin for resale to the GPC at a 5 per cent mark-up. The bank is provid-ing \$4m of the \$14m cost, with the remained coming from the Geneva-based Dar al Mal al Islamia (DMI). However, this emergency measure only covers Sndan's petrol needs for the first few weeks of October. The indications are that the economy as a whole is in worse state than was feared just a year ago. Informed sources in

for cotton just to get some cash-However, the choice of Kostl -this despite very depressed Meanwhile, fuel shortages in nearer the actual oilfields in the Khartoum continue to try the Southern Region - caused con- patience of the Sudaoese with siderable resentment among armed soldiers standing guard southerners that they would at petrol atations. The further lose out on the benefits of the 25 per cent reduction in petrol To compensate for this a rations in early September, as

Khartoum say that the Bank of

Sudan—the central bank—has been pressing the Cotton Public

Corporation to make as many

forward deals as possible now

ment

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# Drug maker's sales hit by cyanide deaths

strength Tylenol capsules in the Chicago area bas already be-come a human tragedy. It could also prove to be a serious corporate setback for Johnson and Johnson, parent company of McNeil Pharmaceuticals for Tylenol and stopped produc-Laboratories which produces tion at one of its two plants. the pain relieving drug.

The deaths of seven people hose capsules had been poisoned with cyanide has also prompted a major review in the U.S. of the packaging of non-prescription medicines which could result in new industrywide legislation.

already being felt at the New broker recommendations bave Brunswick headquarters of the been lowered and at least one surgical goods, baby care and law suit has been filed.

extra pharmaceutical company which The U.S. government and the sales could be hit for about a the unfortunate episode "must in the had sales last year of \$5.4bn over-the-counter drugs industry year and that the company will have some impact on earnings." (£3.2bn). The company has withdrawn the 93,000 bottle batch of the

capsules which contained the cyanide, halted all commercials The Tylenol capsules form a small part of the total sales of Tylenol, however, and the company said yesterday it was maintaining full production of Tylenol tablets, which were not involved in the poisoning.

pany's share price has plum-The impact of the tragedy is meted, earnings predictions and

have set up a joint task force to consider ways of making drugs sold in chemist shops more secure. The committee was due to meet for the first time yester-

Industry experts are already predicting that the unfortunate pany said yesterday it was paln killer. Last year the drug ment on October 1 to \$411 on took 37 per cent by volume of involved in the poisoning.

At the same time the company's sales and about 18 per pact on earnings, stressing that meted, earnings predictions and meted, earnings predictions and meted. net earnings.

Even if J and J emerges blameless from the episode some industry analysts believe Tylenol

be forced to take steps to regain but added that it was difficult This gloomy outlook for the

company is already being reflected in the company's stock. J and J bas been a volume \$15m law suit from the widow leader on the New York stock of one of the seven killed. exchange for several days and affair could harm sales of the share price has plunged Tylenol, the nation's top-selling from \$43) before the announce-

the mystery of who contami-nated the capsules after they

to say to what extent. "There is a greater priority at the moment," the company said.

The company already faces a

In Washington, the Food and Drug Administration has an-nounced that a task force "consisting of experts on production packaging and distribution from industry and government" and chaired by an industry representative will examine the implications of the affair.

Although the industry con-

siders that fully tamper-proof packaging may not be possible J and J said yeserday that there are several options

#### Jamaican refinery purchase in trouble

By Canute James in Kingston THE JAMAICAN Government has encountered problems in financing the purchase of an oil refinery from Esso West Indies, a subsidiary of the Exxon Cor-

The acquisition of the 26,000 barrel a day refinery, at a cost of \$55m. was set for October 1. when the Government should have made a first payment of \$10m (£5.95m).

On that day, however, a government team was still in financially troubled Mexico negotiating a loan to cover the purchase. The takeover has been set back to later this month. There are growing indications

that the Government was pressed into buying the oil refinery, which began operating 18 years ago, and on which the island's fuel supplies

# U.S. arms control chief optimistic on nuclear talks

BY DAVID TOUNGE, DIPLOMATIC CORRESPONDENT IN

THE U.S. today resumes that the first round of thes strategic weapons talks with the Soviet Union in Geneva, with top U.S. officials expressing satisfaction at the pace of

Although they do not expect major breakthroughs until next year, both sides have been "unexpectedly brisk in putting forward their positions and analysis," Dr Eugene Rostow, head of the U.S. Arms Control and Disamment Agency, said and Disarmament Agency, said in an interview in Washington yesterday. He said the strategic arms reduction talks, dubbed "Start" by the U.S., may still be at an early stage but the atmosphere was "fine."

He was speaking the morning after Mr George Shultz, the U.S. Secretary of State, and Mr Andrei Gromyko, the Soviet Foreign Minister, had com-

The purchase goes against

The purchase goes against

Foreign Minister, had completed a second round of talks

Government has been selling in New York. These talks had

state-owned property to the

talks, held on September 28 has been "very positive in all w wanted" in the key area co limit Forces (INF) in Europe. The actual INF negotiations began in Geneva last November and resumed last week. Dr Ros and resumed last week or government a veteran arms negotiator, insisted that progress in the Start and INF talks was inextricably linked. He argued that the Russiana were unlikely to put forward major proposals to bridge the arm between the true. bridge the gap between the two sides in the INF talks until just before the U.S. is due to start deploying Pershing and Cruise missiles from late 1983. Progress in the Start talks could also be delayed until then, he Dr Rostow says the greater gap lies in the INF talks, but insists there is now "a pojentiality for accommodating the state-owned property to the private sector.

Earlier this year, at the beginning of negotiations on a new operating contract, Esso West Indies indicated that its ahareholders were unhappy with its profit margins. Two years ago Exxon cancelled a \$7m plan to upgrade the refinery.

In New York. These talks had talk to for accommodating the seen both sides setting out "irreconcilable" views on the "irreconcilable" views on the sides." He warns that some indicated in any strategic ing between President Rouald Reagan and President Leonid Brezhnev, according to the upgrade the refinery.

#### Venezuela hits guerrilla forces

By Kim Fuad in Caracas VENEZUELAN armed forces insurgents on Monday in a combined air and land operation in l An official communique new contract that calls for covers 58,000 Chrysler issued late on Monday said that minimal wage increases for the and hourly employees. leaders of the "Bandera Roja" -Red Flag-movement were killed in the operation, which took place about 300 miles east of the Venezuelan capital. The

# Chrysler faces stiff opposition over contract that presse

CHRYSLER, which

Workers Union are now voting to the terms.

have dealt a severe blow to announced a dramatic Motor.

Marxist guerrillas, killing 23 strengthening of its financial The proposed contract would position against last year, is grant some cost-of-living facing opposition from union increases and the bonus payemployees who are voting on a ments to corporate profits. It new contract that calls for covers 58,000 Chrysler salaried

on a proposed agreement which Union members against The UAW president, Mr extends their base wage rate of accepting the new agreement Douglas Fraser, who has a seat

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absenteeism.
Adding to the controversy are several recent speeches by Mr Lee Iacocca, Chrysler's chair-man. He recently announced that the company had built up a cash reserve of over \$1bz, coming year. Early votoing by union mem-Members of the United Auto bers showed strong opposition of the company's defence opera-

communique said that one \$9.07 per hour for 12 months, say they want an immediate pay on Chrysler's board of directors, police officer bad been killed about 25 per cent below the rate increase, and are opposed to has criticised Mr Iacocca's

recently at General Motors and Ford new restrictions on unexcused remarks. He said they gave the dramatic Motor.

Stranger financial The proposed contract would Adding to the controversy are had money to pay for a larger wage increase.

Mr Fraser also said the union had an "alternative plan" in case the contract was rejected but declined to offer details. In the past, most rejected contracts have been renegotiated without

Mr Fraser has said that Chrysler's generally weak financial condition made a strike "borrible to contemplate."

# Brazilians warned of 'sacrifices' ahead

BY ANDREW WHITLEY IN RIO DE JANEIRO

BRAZILIANS were warned yesterday to expect even fiercer monetary and fiscal restrictions next year as part of the government's drive to reduce substantially the grow-

rence successful the give-ing current account deficit. The target is to achieve a trade surplus of between \$5bn and \$6bn and thus reduce the anticipated current account deficit to the range of \$8hn to \$8.5hn (£4.8hn to £5.1bn). This

against the multinational companies based in Sao Paulo's ABC industrial districts. An

illiterate who is a magnetic public speaker and a master of television debates, Sr Luis Inacio Da Silva, better known

simply by his nickname of Lula, is now running for Governor of

Sao Paulo—arguably the most powerful political post in the country after the presidency.

How Lula fares will deter-mine whether thousands of other candidates of his Partido

dos Trabalbadores (PT), or Workers Party, in Sao Paulo state make it to public office

state make it to public office this year, whether as federal senator or state assemblyman. The link is created by the system of Vinculacao, the artifice of slate voting dreamt up by the Government of President Joso Figueiredo last year when it feared a landslide defeat for its own political creation, the

its own political creation, the ruling Partido Democratico Social (PDS).

Few believe Lula will win. But bis supporters believe be should give a good race to the favourite for the governorship.

Senator Franco Monteiro of the main opposition conglomerate, the Partido do Movimento Democratico Brasiliero (PMDB).

In the process he should pull in

anywhere between 1.5m and 2m votes for the cause of Socialism

reach a record \$13bn. Sr Ernane Galvess, the Fin-ance Minister, said he realised that the Brazilian people would have to make "sacri-fices" as a result of the restrictions, which he said were the result of the international economie crisis. .

Details of the measures to be adopted, primarily to reduce the level of imports, are expected to be taken at

National Monetary Council, the country's top economic policy making body, after the national elections scheduled. for the middle of that month.

Sr Galveas said the official forecasts were based on the premises that there would be a recovery in the international price of Brazil's important primary product exports as from other Latin Americancountries Argentina Uruguay Mexico and Chile this year halved their purchase Brazilian goods.

The other critical considerations for the Government are a continuing fall in oil prices and in foreign interest rates. "But if this does not occur, we shall take whatever measures are necessary to reach our goal," the Finance Minister said.

# Magnetic radical tempts the voters

BY ANDREW WHITLEY, RECENTLY IN SAO PAULO



Sr Luis Inacio Da Silva that, with the proportional representation system and a vote on that scale from Sao Paulo's 12m electors it should be able to count on 15 of the 84 seats

in the state's legislative assembly — a considerable advance on the footbold their six members presently provide.
Sr Dias, a 28-year-old former student leader, is one of the 74 candidates the PT has put up for a seat in the Sao Padio assembly. Virtually all have come up from the grassroots organisations which are the new party's strength; few have had any experience before of politics on this could

Canvassing for votes in an area greater than the whole of the UK, Sr Dias, like half his fellow party candidates, does not even have a car or home telephone. Nor does the central electoral office of the PT, run on a shoestring of voluntary help, provide him with any financial assistance. On the con-trary, 30 per cent of all the money a candidate raises from raffles, parties or donations has to go to the party's war chest.

on this scale.

If he is elected—and be rates bis chances today as only average—Sr Dias lifestyle (and transport problems) will be

IN seven weeks time Brazilians go to the polis to participate in national elections of historic importance. The outcome could have con-siderable bearing on the future of democracy in Latin America as authoritarian military regimes, faced with an increasingly complex world, attempt to hand back power to civilians. In the immediate future

little in the way Brazil is governed is likely to be iltered by the forthcoming elections. President Jose Fignelrede and his comrades-in-arms retain a firm grip on the country What is more important is

the way in which Brazilians participate and how the elec-

transformed. A state assembly-man taking office next March will earn Cruzeiros Im (£2.850)

tions—covering every level of electoral office from state governor to local councillor-In the run-np to the

November polls the Financial Times plans to follow three different electoral races in contrasting parts of this huge

Today begins with a look at grass-roots politics in the urban Jungle of Sao Paulo. South America's largest and omically most powerful Here -the Partido workers' party—had its origins just two-and-a-half years ago, and here it retains its stronghold.

a month before tax, have the right to appoint four assistants and two secretaries, and will have an office car and two drivers always at his or her. disposal.

Sr Dias himself is a former member of a clandestine Trotskyite organisation which opted to join Lula's party, play-ing a similar role to that of the Militant Tendency in Britain's Labour Party. The PT grew out of the inde-

pendent trade union movement in Brazil led by Lula's metal-workers. But this "strange beast," as sceptical government observers dubbed, it, has both changed and continued to grow rapidly, embraced by the student movements and the middle-class intellectual left and not least of all, by the "progressive" wing of Brazil's powerful Catholle Church.

The local branch office of the PT, where Sr Dias and a score of other candidates work from is a scruffy, down-st-heel house daubed with slogans in the Belavista district of the city

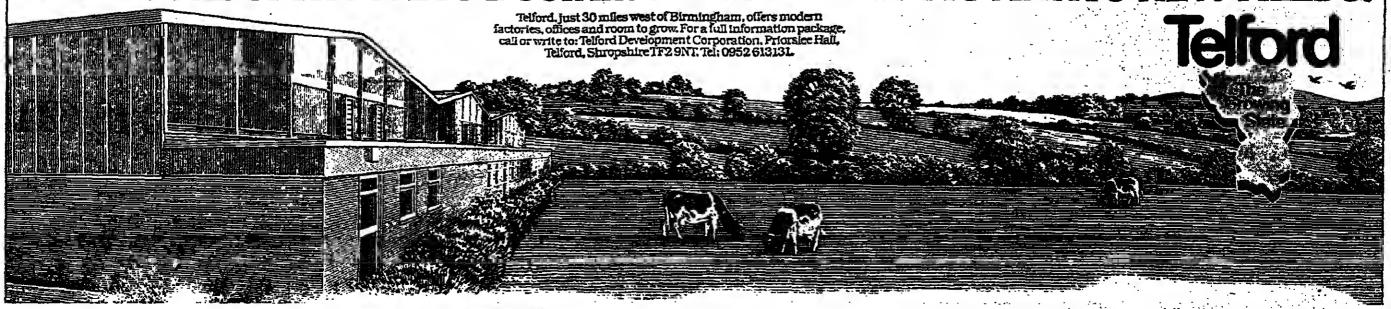
yellow, art nouveau-style headquarters of Sr Dias' main rival. ment-backed PDS and a former State Secretary of Health. "I fought hard to save that build-ing from the developers," (a hyperactive breed in Brazil) Sr Dias said, grinning at the irony.

As constituency voting does not exist, in Sao Paulo state voters have in theory, to choose between some 500 candidates for the State Assembly, put up by the five nationally registered political parties, when they fill in their voting slips. Independents are not allowed

"Vote for the complete slate of the PT," urges one of the leaflets Sr Dias hands out at the railway station. The concern is that the electors will only fill in Lula's name for governor and out of ignorance or apathy leave the remaining four spaces

The other main concern is that the form will be filled in wrongly, invalidating all the votes cast by the individual concerned. All the parties are thus spending much time on teaching an inexperienced electorate how centre. Just round the corner, to cope with the highly compli-on the main road, is the bright cated system in force.

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. :. 5244ga

# French companies set to bid for Indian contracts

FRENCH COMPANIES are to make a strong bid for contracts in India and for collaboration with Indian companies under the terms of a protocol signed yesterday by M Michel Jobert, French Minister of External Trade, and Mr Shivraj Patil, India's Comerce Minister. The sectors identified for resilaboration include energy, steel, aluminium, chemicals, filecommunications, harbour

development, agriculture, elec-fronics, civil aviation and shipping. This paves the way for an expansion of Indo-French economic relations in the next -- few years. The protocol was signed after

Your days of talks in New Delhi hetween Indian and French delegations. It comes shortly before President Mitterrand's and gives impetus to Indo-French relations which have expanded considerably in the "last three years.

Recent successes for the French in India include the sale of Mirage 2000 aircraft, collaboration by Compagnie Erancaise des Petroles in India's oil exploration programme, a turnkey contract for Pechiney for an alumina pro-ject, and a contract for CIT-Alcatel for setting up electronic telephone exchanges

Other deals being discussed include a plant for manufacture of light commercial vehicles in collaboration with Renault, collaboration with in Indo-French economic rela-Aerospatiale for the manu-facture of helicopters, and a imbalance against India and joint venture for manufacture of this has been brought to the short-take-off 42-seater aircraft. attention of M Jobert.



Michel Johert: signed pro-tocol clearing way for further

identified for collaboration prove successful in even some sectors, France and India will hecome major partners in indus-trialisation both in India and Third World countries, where the two plan to start joint ventures. So far there is just one Indo-French venture in Algeria and more are proposed in other parts of the world.

The Indian Commerce Ministry has found that the sudden spurt

#### Ruling awaited on gas pipeline shipment

Department said no determina- Bremerhaven. tion had been made yet on whether a West German ship-taken place . . appropriate ment violated President Ronald Reagan's sanctions against the Siberian gas pipeline.

WASHINGTON-The U.S. State Kanis Turbinenfabrik had left

"Obviously if a violation has enforcement measures will be taken," Mr Roberg said.

AEG Kanis Tuhinenfabrik, a Mr Alan Romberg, State subsidiary of AEG Telefunken. Department spokesman, said he has contracts to sell 47 turbines understood a ship carrying pipe- to the Soviet Union for the line equipment from AEG pipeline. Reuter

#### **Brock stops** short of urging vehicle curb

WASHINGTON -William Brock, the U.S. Trade Representative, has stopped short of urging Japan to curb car exports to the U.S. for a third successive year in meetings this week with Mr Shintaro Abe, the Japanese Trade Minister, U.S. officials

He said U.S. car makers were being battered by the prolonged recession despate the voluntary Japanese export

annual car sales to the U.S. at 1.68m since April 1981 compared with a record 1.82m in 1980—a cut of over 7 per cent.

next April, but the Japanese have said they might consider keeping up the curbs for a third year if warranted.

press for continuing reduction of Japanese experts if the situation remained serious.

restraints to continue. Japan's sales of cars and commercial vehicles edged up 1.1 per cent in September

announced yesterday. The latest statistics indicated, association officials said, that the domestic car market remains sluggish.

243.742 units. Meanwhile, Japan's Trade Minister is understood to have promised to reduce steel exports to the U.S. by 40 to 50 per cent for the rest of

"Senator, Heinz, a Pennsyl-vania Republican, said he had been "assured" by Mr Abe that exports will fall, possibly will not exceed the 1981 total.

# Japanese car exports: the brakes stay on

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

JAPANESE car manufacturers, without the restrictions of the 1970s, would have captured 10 per cent of the French market, 15 per cent of the Spanish and Italian markets, 20 per cent of the UK market and 30 per cent of the Portuguese marketsomething in the order of 600,000 cars in 1980.

Policy Research Unit.

of domestic industries.

The authors come down in favour of managed trade in

automobiles between major pro-ducing blocs because "where there is imbalance in produc-

tivity—as between the Japanese industry and those in the West

freedom of choice can lead,

in the extreme, to the collapse

exporter and unfettered choice

on the part of the consumer

present the eventual possibility

of impaired purchasing power

The report suggests there is

decline."

accelerating economic

Canada last year probably reduced exports from Japan to those countries by about 300,000 These estimates are contained in a report by consultant Mr James McArdle and Prof Dan

The Japanese have held a year. The restraints are to end

The Reagan Administration does not have a firm policy on a third year of Japanese restraint, but U.S. govern-ment officials said it might

Officials said Mr Brock noted that the Administration had been asked by the U.S. Motor Vehicle Manufacturers Association to press for the

from a year earlier to 352,313 units, the Japan Auto-mobile Dealers Association

Small cars were the only category in the month which registered a year-to-year increase of any appreciable size, going up 5.7 per cent to

the year, according to Senator John Heinz.

by as much as 50 per cent, so that the total for this year

It points out that, although the Japanese exported 891,000 cars to Europe in 1981 for a 9.2 per cent market share, these were spread over eight manufacturers and 45 models.

In general, 50,000 units a Restraints in the U.S. and year represents the practical naminum for a joint assembly deal using existing plant, while about 100,000 a year is the realistic minimum rate of output for an entirely new, highlyautomated assembly plant with stamping, welding and painting Jones, sensior research fellow at the University of Sussex Science facilities.

But only two Japanese models, the Datsun Pulsar and the Mazda 323, achieved sales above 90,000 in Western Europe last year. Only six Japanese models—the Datsun Bushind Hande Sunny; Datsun Bluehird, Honda Civic, Mazda Capella/626, Mit-subishi Mirage and the Toyota Corolla—had sales of over 45,000 each.

"If this process is repeated across a number of major sectors, the implications for GDP per capita are bound to be significant. Thus, lack of moderation on the part of the "The general diffuseness of Japanese automobile sales would seem to reduce the immediate likelihood of assembly in Europe by the majority of Japanese producers, except with active European co-operation," the authors state. "However, the wider application of flexible manufacturing systems could change the outlook in the second half of this decade."

They add that, while some

setting up car manufacturing with a European partner might countries, independently or in . Consolidate and increase

capacity in Western Europe represent the line of least association with U.S. pro-market shares in export before the second half of this resistance, the range of such ducers." opportunities is limited and "2

The report suggests that, in

CONTROL OF JAPANESE CAR EXPORTS TO W. EUROPE AND N. AMERICA 1981

	Type of control	japane: share
EUROPE		
Controlled markets		
Spain	High tariffs, quotas	0.1
Italy	Pre-EEC quota	0.1
France	Imposed market share limit	2.6
Portuga!	High tariffs, quotas, domestic content	12.5
W. Germany	Export restraint agreement	9.7
UK	Market share agreement	11.0
Benelux	Export restraint agreement	24.5.
NORTH AMERICA		
J.J.	Export restraint agreement	21.8
Canada	Export restraint agreement	13.2

strategic appeal in the mediumto long-term, especially by the two major Japanese producers, Toyota and Nissan,"

In contrast with Europe, a considerable number of Japanese models comfortably exceed 100,000-a-year sales in the U.S. so "it is likely that other Japanese manufacturers will follow Honda and set up production during the next few years either form of collaborative assembly in the U.S. or neighbouring

more direct line of attack might the face of European and U.S. be held to have greatest restrictions—which can be exrestrictions-which can be expected to continue for political reasons—the Japanese can be expected to adopt the following short-term strategies:

 Maximise profits within volume limitations through emphasis on larger and generally more expensive vehicles; Increase market shares in the light commercial vehicle sector. especially in the absence of any specific agreements applicable to this sector:

markets outside Europe and North America. (The report points out that South American markets are still dominated by Volkswagen, Ford, General Motors and Fiat and "we should expect the Japanese producers to strengthen their standing in the major South American markets over the next five years");

 Increase the volume of trade through supplying Western pro-ducers with major components and sub-assemblies:

 Increase joint activity. Possibly the majority of joint ventures will fall into the opportunistic category and contribute to a general strength ening of position or production and marketing potential in certain territories;

 Continue to exploit the different attitudes and priorities of EEC member states and avoid, if possible, any EECwide agreement;

 Possibly to probe Western defences by importing limited quantitles of automobiles produced by their own subsidiaries in countries other than Japan; In political negotiations, to

attempt to submerge specific sectoral issues in wider balance of trade and currency parity The Japanese Automobile Challenge: James McArdle and

Associates: 6th floor, East Wing, 29. St James's St. London SWIA 1HL: £495 or \$855.

#### Philippines bid to cover nuclear plant costs

to cover partially the cost overruns of its first nuclear plant from the Euro-dollar market, Mr Cesar Virata, the Prime Minister, said over the week-end.

The U.S. Export-Import Bank has already agreed to guaran-tee \$204.5m of the amount, a concession the Philippines won during the recent state visit of President Ferdinand Marcos to Washington.

amount to be raised represented \$110m.

THE PHILIPPINES Govern- the foreign exchange component ment will raise \$250m (£147m) of the cost overruns of the project which, originally priced at \$1.1bn, has ballooned to \$1.9bn. The rest of the overruns for the 620-MW plant will be guaranteed by the Philippine

The delay in the construction was caused mainly by Philippine Government demands to Westingheuse, the supplier, for additional safeguards following the Three-Mile Island incident in Pennsylvania: The modifi-Mr Virata said that the cation cost alone is put at

#### Argentina in Moscow talks

ARGENTINA'S trade and energy secretaries started talks in Moscow on Monday on broadening trade and economic co-operation, an Argentine diplomat said, AP reports from Moscow. .

Alberto Fraguio, Trade Secre tary, and Alietto Guadagni, Energy Secretary, were due to hold talks with Soviet officials representing Ministries bandling trade, energy, machinery exports and raw materials imports, the diplomat said.

The diplomat, who asked not to be named, said the Argentines would be telling the Russians about their economic problems and trade needs. | the anti-dumping rules laid ing prices.

#### Far East threat to watch industry in Europe

BY JOHN WICKS IN ZURICH the influx of cheap products from the Far East and Communist countries.

The was stated in Montreux at the latest meeting of the Permanent Committee of the European Watch Industry, which was attended by representatives

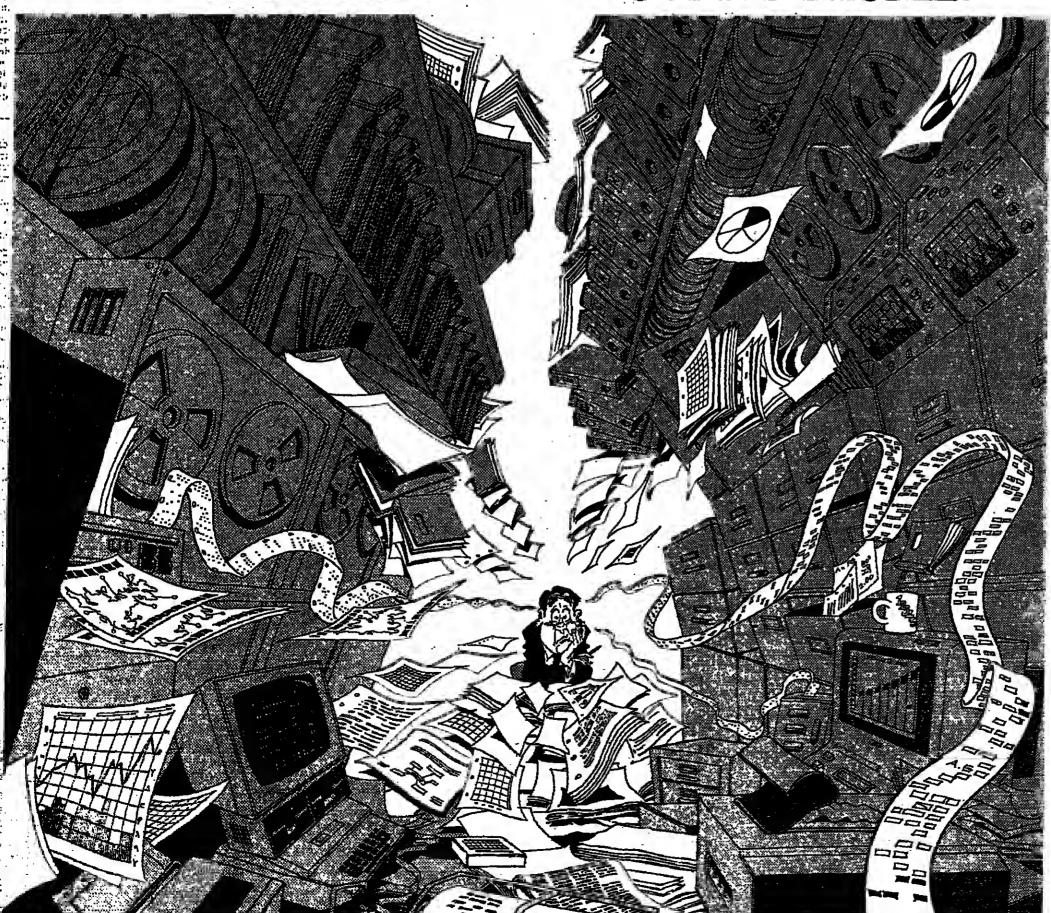
from Switzerland, West Germany, France and Belgium. The committee expressed its concern that large-scale imports of electronic watches from the

THE WEST European watch in- down by the General Agreedustry continues to suffer from ment on Tariffs and Trade

Watch industry spokesmen said they will repeat their call for a re-examination of regulations governing imports from Hong Kong, claiming that the colony is no longer a developing country and should not he granted corresponding privi-

The body welcomed measures takeo by the European Commission to act against the supply of watches by the Soviet Union Far East are not covered by at what are claimed to be dump-

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Howden funds 'channelled to Panama company'

Financial

strains 'add

to company

HIGH LEVELS of borrowing

are deterring bady needed new investment, the West Midlands

region of the Confederation of

British Industry warned yester-

Financial strains, in the face

of continued recession, have

prevented the investment neces-

sary to make companies competitive, said Mr Malcolm

Skillicorn, the newly-elected

chairman of the region's coun-

industry, be said. Companies in

the present depressed market were unable to find buyers for

surplus buildings or plant. Further reorganisation usually

involved redundancy payments

which put further stresses on

West Midlands remains depres-sed, Mr Skillicorn reported. There was generally no im-

provement in home orders. One or two companies close to the

retail trade, particularly do-ityourself business, reported a slight improvement. But in engineering there was dis-

appointment that the expected seasonal upturn had not

Export orders at best had

levelled out, and there were suggestions of a deterioration,

particularly in machine tools. Use of productive capacity

seemed to be alipping.
He reported that redundan-

cies were likely to continue in

The CBI report is in line with a survey published this week by the West Midlands

Chambers of Commerce, repre-

senting mainly smaller com-

panies, who reported a worsen-

ing situation during the last

the manufacturing sector

materialised

Business confidence in the

borrowing requirements.

There was anxiety, parti-ularly in manufacturing

squeeze'

By Arthur Smith,

If you are at present considering

expanding or relocating a business, we'd like to explain why, right now, a county in the north east of England represents an especially appetising proposition. That county is Cleveland. Why so special? Well, first, Cleveland

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level of Government and E.E.C. financial assistance is available for industrial and commercial investment in this developing county. There's also an Enterprisa Zone in operation and additional special incentives are offered by B.S.C. and the local authorities.

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ready and waiting now. With sizes from 500 to 500;000 sq. ft. And rents from as little as £25 per week.

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#### John Moore studies the allegation that \$55m in Howden funds was misappropriated MOST of the \$55m of allegedly which are outstanding against misappropriated funds of the Southern. These amounts could

Alexander Howden Group were

channelled to a Panamanian

company secretly controlled by

Howden directors between March 1980 and May 1982.

The payments to the Panama

remsurance premiums effected

by Howden group insurance subsidiaries and Lloyd's under-

writing syndicates managed by

the Howden group to provide

them with their own insurance

protection against large insur-

Southern International did

not have the permission of the

Panamanian authorities to

accept reinsurance business in

Panama or anywhere in the

Between March 1980 and May 1982 Southern Inter-

Alexander and Alexander Services of the U.S., one of the

brokers which owns Howden, has alleged that \$55m of

Howden group funds was mis-

appropriated over a seven-year

period. The \$50m was paid to

Southern as reinsurance pre-

of, Lloyd's underwriting syndi-

cates managed by Howden

As recently as April this year Southern received £2.8m

main insurance company.

Deloitte Haskins and Sells,

auditors for Alexander and Alexander, has calculated that

the total amount paid in pre-

miums to Southern Inter-national less insurance claims

In addition to the net \$29m

received by Southern there are further amounts which will have to be borne by Howden

group insurance companies in

respect of reinsurance claims

What makes

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You'll find a skilled and adaptable

communications and distribution both

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residential areas and beautiful

And with major road, rail, sea and air

was of the order of \$29m.

largest insurance

ance claims.

world's

group.

he as high as \$20m. A unique insight into the background of the Howden affair is available as a result of litigation started in the High Court Alexander and Alexander Services Inc is suing Mr Ian company, Southern Inter- Services Inc is suing Mr Ian national Re, were described as Posgate, the former star underwriter for Howden, Mr Kenneth Grob, former chairman, Mr

Allan Page, Mr Ronald Comery, and Mr Jack Carpenter, all former Howden executives, for the return of assets and damages. They are defending the action. Deloitte Haskins and Sells, who were carrying out an andit for Alexander and Alexander after its acquisition of Howden this year, were told by Mr Grob,

Mr Comery, Mr Page and Mr Carpenter on August 9 that the four Howden executives had mational was paid about \$50m. interests in Southern Reinsur-Alexander and Alexander Ser-ance AG, a Liechtenstein company deregistered in May last year, Southern International Re; New Southern Re, another Panamanian company which changed its name to Europe Continental in May 1982; and the Banque du Rhone et de la Tamise, a Swiss registered bank. Prior to August 9 the directors had not disclosed their interest miums by Howden's business Prior to August 9 interests. Of that figure about had not disclosed in the companies.

The money channelled to these companies is alleged to have been used for the personal out of funds secured for the December 1981 Howden as a benefit of the Lloyd's syndicates with Sphere Drake Howden as a benefit of the directors. and then the remaining 49 per cent to a syndicate of unnamed

according to Deloitte. Mr Page Mr Carpenter, Mr Grob and Mr Comery are said to have used the pseudonyms of Karok, Skyair, Bloomers and Blissful respectively.

names in the shares purchase,

participated in the deal in the name of "Hereford." Most of the funds said to have and Mr Posgate for the purchase

underwriting syndicates, where Mr Posgate was the leading

Housing

investors headed by Mr Mario Benbasset and Mr Eliahou Deloitte Haskins and Sells discovered that Mr Grob, Mr Comery, Mr Carpenter and Mr Page were members of the un-named syndicate that purchased the Banque dn Rhone and their

purchase of shares was financed by money allegedly taken from

than in the previous three months, although still 19 per cent higher than in the corresponding quarter last year. Public sector starts during the first eight months of this year were 55 per cent higher than in the corresponding months in 1981. In the June to August quarter this rate of increase had slowed to a 31 per cent rise compared with the same months last year and public sector starts during June

during the summer and total

starts in the three months to

the end of August, seasonally

adjusted, were 9 per cent lower

private starts. These have risen by 20 per cent over the first eight months of this year and by 16 per cent in the June to August quarter. However pri-

previous March to May quarter.

The figures published yester-day by the Environment Depart-

ment show a similar trend in

The rise in housing starts is encouraging, but total housing output does not show the same rate of recovery. Fewer starts in previous years has reduced completion. Housing completions in the June to August quarter were 6 per cent lower than in the previous three months and 15

per cent lower than in the

Warning of Arts Council stringencies By Antony Thorncroft

Paul Channon, Minister for the Arts, that it would like filling for 1983-84. But it has realistically quoted £98.5m as a minimum requirement. This year the council received

#### Howden group and Southern International are alleged to have been passed through Banque du Rhone bank accounts. Alexander and Alexander

managed to acquire 80 per cent of the share capital of the Banque du Rhone this week as part of its efforts to recover assets from the five Howden

Other attempts by Alexander the anstalt to Alexander and Alexander to recover assets Howden could mean that from the directors have not Howden will be charged French been so successful. An agree- taxes and duties on the proment was reached on August 14 ceeds of any sale. Alexander between Mr Grob, Mr Carand Alexander has estimated penter, Mr Page, and Mr that it will receive only around Comery. Under the proposed \$1m. plan the executives were to return \$29.1m of assets in 48 villa which Alexander and hours in return for which Alexander reckons are worth Alexander and Alexander and around \$250,000, are now the Alexander Howden would start subject of the current litigano civil proceedings against the tion. Alexander and Alexander

The four executives are Howden executives and all the understood to have used code transfers of money between the in the South of France, the Villa Olivula, together with its contents.

The villa which was first thought to be owned by Mr Grob, according to Deloitte, turned out to be owned by a Liechtenstein anstalt -financial company—called Ira Anstalt. It was thought the villa would produce \$3,15m for Alexander and Alexander.

Moreover, the contents of the

four and would bonour all has been able to recover contents worth \$10,000.



Mr Ian Posgate (left)

against a loan, are alleged by Alexander and Alexander not to be pledged in this way. Only about \$162,750 worth of art with it values at \$42,000,

Regions g

£39.28m By James McDonald

in the North Sea. It is understood that it could be the 1990s lopments at West York Manchester and New before the Chevron and Lasmo lands, which was reported in groups attempt the commercial the Financial Times on Monday. exploitation of Bressay. Britoil

> ing 2,241 jobs in Britair Togendhat said.

dustrial estates.

ture projects

tribution of up to half th towards wafer fabricatio integrated circuits; £2.0.

#### Sovereign group discovers oil in 'premium' block off Shetlands BY RAY DAFTER, ENERGY EDITOR

SOVEREIGN OIL AND GAS cession. The group, which inbas discovered oil in one of the cludes Dow Chemical InterNorth Sea "premium" blocks, national Energy (30 per cent) extension of Chevron's Bressay some 62 miles east of the and Dawsea (40 per cent), plans oil field in the neighbouring Shetland Islands. The discovery was made with Sovereign's first well drilled on

BenVrackie produced oil at a rate of 4,200 barrels a day from Jurassic rock between 5,504 and 5,534 ft below the seabed. The fairly beavy oil is said to have • London and Scottish Marine Oil has released information a specific gravity of 24.5 degs, as measured by the American about its oil discovery on block Petroleum Institute. The crude 3/27, 100 miles east of the Shetalso contains 200 cn ft of natural gas for every barrel of liquid. Sovereign has a 30 per cent The well, drilled to a depth is a partner with Lasmo in operating stake in the con- of 4,894 ft, produced on at test block 3/27.

for improving productivity, innovation and marketing in the UK's agriculture and food- need to be taken now, both processing industries was put within the industry and governforward yesterday in a report from a leading government advisory body. The Advisory Council for Applied Research and Develop

signs" that the UK food indus-

try, which accounts for some

£27bn of consumer spending, is

Its report on the food indus-

try and technology points out

past decade. Productivity is low

in comparison with European

competitors and is improving

at a slower rate, and expendi-

facing "an increasing threat."

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT A WIDE-RANGING programme ment is declining. "In our opinion these signs are sufficient warning that steps within the industry and govern-ment, to ensure that the food

from aggressive, well organised agrifood industries in France and Germany, the UK industry's long-term bealth will depend on an ability to improve productivity, innovation, and marketing."
The council makes a number that real return on capital in of detailed recommendations. It the industry has fallen over the suggests that the relevant food suggests that the relevant food sub-committees of the National

Economic Development Office "should develop a strategy for

the food industry which recog-

existing technology could play

The Department of Industry.

manufacturing industry main-tains its position as a major process industry support UK industry," the report says. . schemes more widely to stimu-It makes it clear that " in the face of increasing competition machinery sector. The Ministry of Agriculture is urged to improve the transfer of new technology knowledge to companies in the food

> control, quality assurance, and machinery selection and man

The Food Industry and Tech-

#### and Mr Kenneth Grob. expected to receive art w worth \$500,000. Alexander Alexander are also tryin recover a painting by R Alexander and Alexander had owns the Pisarro.

AN ALLOCATION to the of £39.28m in grants from European Regional Des ment Fund was annot yesterday by Mr Christe Tugendhat, vice-president

European Commission.

This brings ERDF

to the UK to £120m this

grants of

and to £901m since the started in 1975. Speaking at the Sh North Wales, plant of Di Titanium—the beneficiary £3m grant—Mr Tugendha phasised the importance ( grants for infrastructure These include airport

modernisation of British

network in Strathchyde; sive roadworks, especial Wales; and development

"It is almost impossil calculate how many new such infrastructure pr help to secure, but we can that the new regional gra industrial investment wil tribute to creating or ma

About two-thirds of

grants are towards infir

For industrial project

grants represent an ERD.

dividual projects by the Covernment. The biggest grants in £39.28m tranche include: f to Strathclyde Passenger port Executive towards e fication of the Paisle Ardrossan railway line; i to Inmos at Newport, (

Yorkshire Water Auti Sheffield; £1.5m to the A:

Water Authority, Grimsh

£1.51m to Merseyside (

Thisadvertisementappears as a metter of record only.

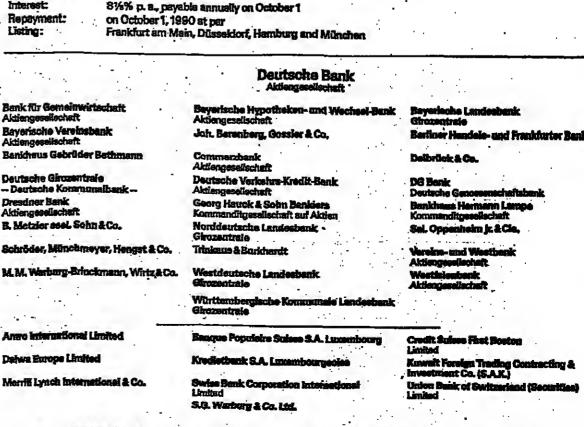
# ture on research and develop- nises the role that new and

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New Issue October 6, 1982

£86m, and there are doubts whether the arts will escape the real cuts in Government ex-

not even companies like the Royal Shakespeare could be certain of financial support. He wanted a strong arts lobby of the great and the good on the lines of the Caucus for the Arts in the U.S. Senate, to make

the case for the arts at the

highest level.

Sir Roy drew attention to the fact that all the plays running in Shaftesbury Avenue, London's Broadway, started life

Mr Posgate is alleged to have

been used by Mr Grob, Mr Carpenter, Mr Page, Mr Comery of the first 50 per cent of Banque du Rhone's shares, so it is alleged, were provided by funds transferred to New Southern Re—a Panamarian company controlled by the five former Howden executives—oy Southern International from money paid to Southern in the form of reinsurance premiums by Alexander Howden and its insurance companies, and by the Howden-managed Lloyd's

The Banque dn Rhone is said to be banker to the five former

falters By Andrew Taylor

progress

HOUSEBUILDERS have started work on more than 130,000 private and public sector homes in the first eight months of this year-more than a quarter as many as in the first eight months of 1981. Recovery bowever, bas slowed

to August were estimated to be 20 per cent lower than in the

vate starts during August larter were 5 per cent lower than in the March to May ment, part of the Cabinet quarter. Office, warns of "worrying

corresponding three months a

"NEXT YEAR is going to be a difficult one for the arts," said Sir William Rees-Mogg, chair man of the Arts Council, pre-senting the annual report for 1981-82. "There is a real risk that stringency in the arts bud-get will damage some of our clients." The Arts Council bas told Mr

ting, then comes the good or bad news for its 1,200 clients. Ser Roy Shaw, the secretary general of the Arts Council, said yesterday that with the squeeze on the arts budget in recent years—the council received £3m less than the rise in the retail price index this year would have warranted-

penditure being prepared for the next financial year. The Arts Council should know around Christmas how much it is get-

in subsidised theatrical com-In 1961-62 the Arts Council received £1,745,000 and gave 54.6 per cent of this to the big national companies. Of the 1981-82 budget of £80,470,000 the national companies received 27.6 per cent. The cost of administration was down from 5.8 per cent to 3.9 per cent.

severance agreements. Among the assets to be Shares in L. Texas Petro- works are alleged to have been a painting by Pisarro w returned were the Banque du leum, estimated to be worth transferred under the August according to the Ame. Texas Petroleum starts in L. Sim, which Howden directors 14 deal. Texas Petroleum, works of art, said could not be transferred

part-block 3/11b, for which the company paid a £5m premium fee in the seventh round of licences last year. The semi-submersible

to drill a second well. block 3/28. The find was made less than Like Chevron, Lasmo found two miles southeast of a that the oil was thick and heavy Chevron discovery, announced and, as such, difficult to produce. last year, in the neighbouring Lesmo evaluated three pumping block 2/15. Sovereign, Dow methods: an electric pump

and Dawsea are members of the Chevron consortium. lowered down the well; hydraulic pumping; and an The find was also near an. operation using gas to help lift earlier Amoco well, drilled on another part of 3/11 which resulted in "oil shows." the oil. Lasmo said the methods represented recent developments in production technology

Call for innovations in food industry in improving the industry's performance and putting it in a better position to exploit new.

and changing markets."

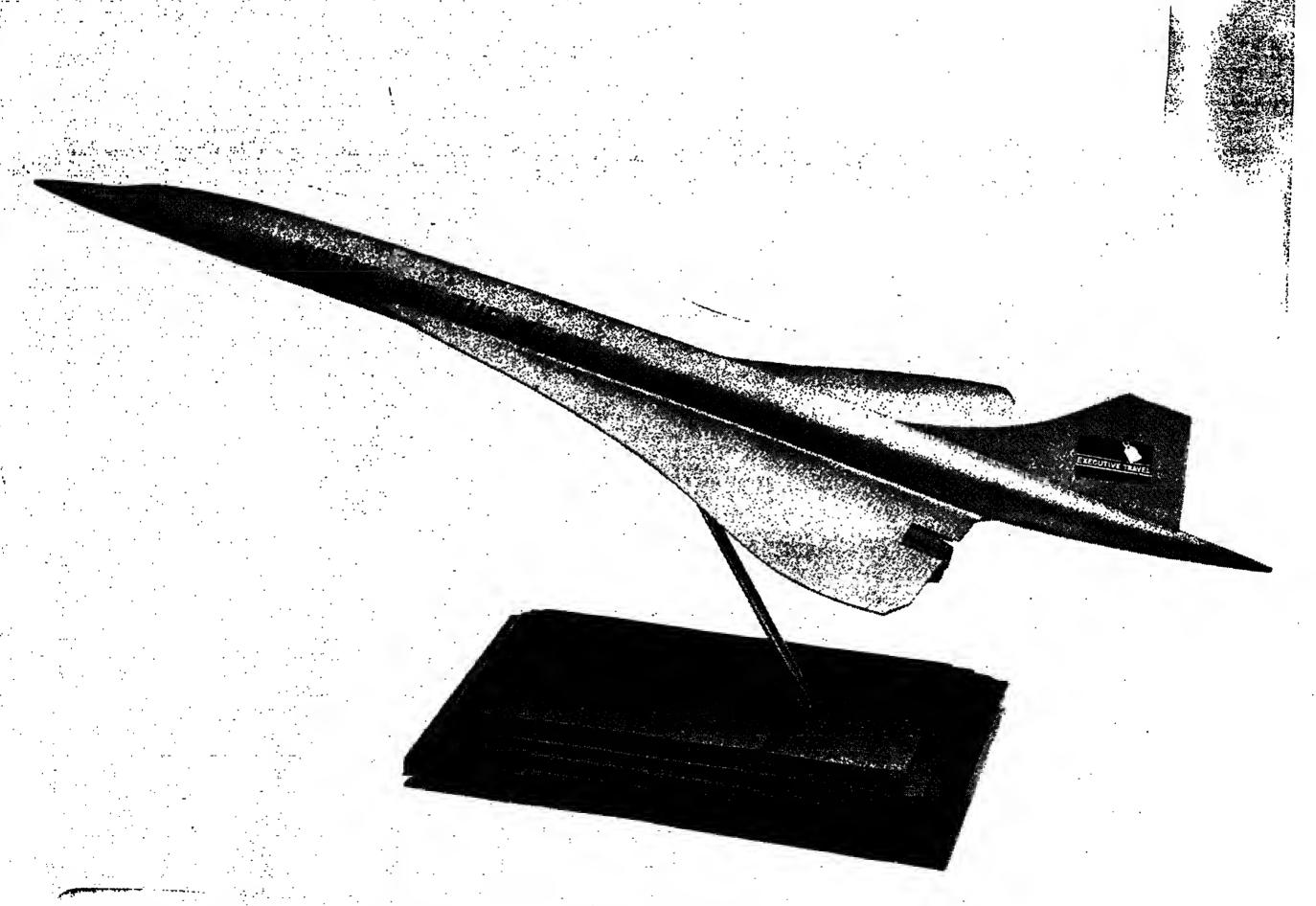
industry, particularly small businesses. This could include manufacturing techniques and processing, energy conservation, materials handling, antomatic

nology\_ HMSO, £3.60. Council

Società europea per il finanziamento di materiale ferroviario, Basilea

Financial Times Wednesday October 6 1982

# We've just taken delivery of a new plane.



British Airways: Winner of the 1982 Airline of the Year Award.
Runners up: Swissair and Lufthansa.

British
airways

# Why STC ended 10 years' collaboration over System X

DIGITAL MAIN EXCHANGES LINES ON ORDER AND INSTALLED

E10 and E12

NEAX 61

EWSD

MT20 and MT25

System Century

Jason Crisp looks at the differences between the manufacturers of Britain's computer telephone exchanges

West German

collaboration with its com- sell abroad and the most willing petitors and its major cus- to cut margins to make a sale. tomer, Standard Telephones At the other end of the scale and Cables has abandoned its GEC was most nowilling to cut commitment to System X — prices. With very healthy the great British bope in margins in the UK GEC Tele-digitat public telephone ex- communications did nor want to

STC has always been the odd in export markets. company out in the somewhat System X uncomfortable System X con-sortium, which included British Telecom, Plessey and GEC Telecommunications. STC has been viewed with some suspicion as its parent company ITT, the U.S. telecommunicatinns giant, with 75 per ceot loping a rival public exchange.

Friction hetween STC and the two Britisb-owned companies particularly developed nver the hest way to tackle nverseas markets. STC niways

AFTER MORE than 10 years claimed to be the keepest to been auxious to see a fall lo sell abroad and the most willing exchange prices. spoil its record by loss-leading

> System X development started in the early 1970s, although it took several years hefore real prngress was made. cated families of computer controlled digital exchanges in the world with a range of advanced facilities.
> Its relative sophistication—

and subsequent high price—is one reason why it has not ret been particularly saleable overseas. British Telecom which has hecome increasingly price conscious as it faces growing com-petitive pressures has, however, to become fully competitive for

As no one manufacturer can maka all of a System X. exchange contracts are currently awarded on a cost plus hasis. BT is auxious to move to a fully competitive snpply position as soon as possible. It means that even though STC has withdrawn from the field there should in theory, be sharper competition between GEC and Plessey. The two companies will be required to hid in competitive tender for BT's exchange requirements. The withdrawal of STC from the market and the increased emphasis on competition is likely to henefit Piessey initially.

trunk exchanges by early next requirements for System X year and fur local exchanges could be made in one factory. hy the eod of 1983. The dates For security and to ensure At present Plesses has the targest share of the developindicate when BT thicks the ment cootracts and, therefore, two companies will be able to require knows how to make more of System X exchanges than GEC. make those exchanges inde- suppliers. pendently of each other. STC argues that because the Theoretically all Britain's value added of public exchange

Western Electric

Nurthern Telecom

Thompson-CSF

and Electronics Philips

GEC/Plessey

LM Ericson

could be made in one factory. competitive pricing BT will

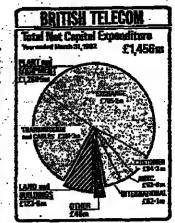
equipment is falling it makes the company's withdrawal from System X logical. In return for its withdrawal it has assured itself of five years of substantial orders for TXF4A, a computer-controlled solid state analogue exchonge. TXE4A is proven and in full production.

STC sees its future growth coming from private business systems and submarine cables where it is world leader. It claims that the business from public sector switching is diminishing while the market for end-user equipment is grow-ing around 20 to 25 per cent a

failures of System X has been the lack of significant orders from overseas. Other less well developed digital exchanges have had a greater success in export markets. This is partly because of lower costs but also because of substantial loan support and sometimes tie-ups with defence sales. France has been particularly successful ex-porting telephone exchanges particularly. CIT-Alcatel's well proven exchange.

The re-organisation of System X was warmly welcomed by Mr Patrick Jenkin, Industry Secretary yesterday. Speaking at the Conservative Party Conference in Brighton be aaid: "System X has been an unhappy story so far with few contracts won abroad. This will strengthen the companies' ability to compete. It shifts the boundary between British Telecom and the companies which will now take

System X ranges from the small rural exchange to a major trunk exchange. In addition to being cheaper eventually they will offer the subscriber several



extra facilities such as abbrevi ated dialling, automatic transfer of calls and even the ability to identify incoming calls. System X also has an advanced form of voice synthesis which can tell the user how to use all

# Energy projections vary widely

GOVERNMENT has produced a wide range of energy demand projections for its evidence to the public inquiry into the Sizewell B nuclear power plant in January. Figures nublished yesterday the Energy Department

show that UK energy demand could rise by 60 per cent over the next 30 years—or it could continue to slide, by a further 5.2 per cent. The Decartment's report says much will depend on factors

such as the rate of economic growth, the price of fuel. screation and alternative fuels. The Government does not attempt to forecast demand, but

points out there are likely lo he many surprises over the next 30 years. It also does not project a figure for future UK fuel production, unlike nast Government forecasts. Future misfor tradeable energy products an annual rate of between 9.1 mates that between 7.6 Giga-th-such as oil, natural gas, and per cont and 2.6 per cent over watss and 35.8 GigaWatts of new wat coal, would be balanced by the next 30 years. During the capacity will be needed before B.

BY CHARLES BATCHELOR

announced yesterday.
Company liquidations and
bankruptcies notified by policyholders were 35 per cent higher

compared with a 22 per cent increase in the first half year.

deterioration in the conomy, evident from many official statistics for the second quarter.

continued into the third, Trade

recorded this year, agoinst 2,009

Securities from its latest list of

year. Trade indemnity, the UK an increased failure rate, credit insurance underwriter. The engineering and m

BY WILLIAM HALL, BANKING CORRESPONDENT

heen drawn into an emharrass- firm reapplying for a licence.

ing row between Barclays Bank. Goodwin Squires, based in Britain's biggest bank, and Haywards Heath. Sussex.

Goodwin Squires Securities, a provides a bonking service for

tiny firm of licensed deposit about 150 customers. Until takers The firm is suing recently Barclays was the agent

Barclays because the bank has hy which it cleared its terminated its cheque-clearing customers cheques. Barclays agency agreement with it.

its doors because the Bank bas terminate the debit-clearing

Mr Derek Goodwin, founder this has damaged his business.

ency agreement with it. gave the firm considerable Now the firm has had to close notice that it wanted to

Goodwin Squires agency agreement.
from its latest list of Mr Goodwin says he has been

TOR					
	UK PRIMAR'				
Price Assumptions*	GDP growth rate: % pa	t980 actual	1990	2000	2010
(HIGH)					
\$88	2.5		380	431	512
\$65	1.5 (1)		360	388	420
		345			
S65	1.5 (2)		352	370	392
\$55	0.5		339	328	327
(LOW)	_				
\$52	2.5		396	461	549
S43	15 (1)		376	406	446

Pricing assumptions for world oil orice in 2000, in S per barrel:

(1) High industrial growth

(2) Low industrial growth

A comparison of this year's

The number and value

The Bank of England's

decising not to renew the firm's

out deposits, but can no longer

The Bank has also removed

First Guarantee Trust Company from its list of licensed deposit-

takers. The Baok applied last

month to have First Guarantee

Three banks have been added

deposit takers—Badische Kom-munale Landesbank, Bank Mees

& Hope and Bank of Seoul &

take deposits.

licence meaos that it can poy

imports and exports at world 1970s, the growth in electricity prices, says the report. However, the report is more specific about electricity needs old generating plant being matches of demand and supply which are expected to grow at closed,

Sharp rise in business failures

BUSINESS failures rose sharply last year, all main trades and there was an increase of 20 per in the first nine months of this nearly every sub-trade reported cent to 133.

The engineering and metals

industry recorded the largest absolute number of fallures—

543-an increase of 47 per

cent in the nige-month period.

in the huilding and construction

sector rose 26 per cent to 431

Bank acts on licensed deposit-taker

THE BANK of England has there was nothing to stop the Gondwin.

Bankruptcles and liquidations

demand was 1.5 per cent a year. When allowance is made for the Department esti2000 and a further 25.1-63 Giga-Watts between 2001 and 2010.

The report emphasises the need for a mix of both nuclear and coal-fired stations although it says nuclear power would be cheaper. At present nuclear power accounts for obout 12 per cent of electricity output as

against coal's 83 per cent.
Projections for 2001-2010
indicate that the Government believes a further 18.8-42.8 GW of nuclear capacity will be needed by 2010.

In its statement to the Sizewell Inquiry the Department says. "The Government expects the electricity supply industry to pay due regard to its planning to the need for diversity and security in supply, inclod-ing an appropriate nuclear

It does not specify whether the type of reactor should be the advanced gas cooled type used in the UK at present or the U.S.-designed pressurised waer type planned for Sizewell

#### Government 'plans to

third quarter with the same 1981 period showed that the engi-THE GOVERNMENT is still necring and metals sector was committed to plans for the hardesi hit with a 120 per welfare state outlined in the Think Tank paper. Mr Denis Healey, Labour's deputy leader, cent rise in failures to 233. This was nearly double the 68 per cent rise of all business fallures said vesterday hetween the quarters to 980.

axe NHS'

"The leak of the cherished while the textiles and clothing accounts passed to Trade Insector reported a 24 per cent demnity by its policy-bulders rise to 390. health service has panicked Mrs Thtacher into pigeonboling It for a few months," he told Failures among furniture and notified rose by 8 per cent in meeting of the iostitule of Indemnity said.

With 2.716 business failures recorded this year, agoinst 2,009 uplostery companies rose 66 5.750 in the first nine months: municipal building management while the sums involved rose 10 men; in Blackpool.

Treasury

"But she and her Treasury ministers are still determined to press ahead as soon as the row dies down."

Dissenters in and outside the Cabinet believe Mrs Thatcher's retreat is tactical. They are anxious to see ber dissociate herself and the Government from the ideas and proposals

Mr. Healey, warning that the ideas bad been shelved temporerily, was merely taking up It Edward Heath, the fromer For premier, had left off the right before on BBC television.
'2Nrs Thatcher's ideological hatred of public enterprise has led her not only to rob the rate-payer and taxpayer of millions year, but olso to inflict profound damage on the British people as a whole"

What she is doing to the nationalised industries would put any private husinessman in jail. The great rip-off of Amersham Internotional had every war to the bank. The coming sale of British Telecome and British Airways has them driboling at the mouth."

#### MSC plan gets a dubious reception

The Manpower Services Com-The Manpower Services Com-mission's new Community Programme for the long-term unemployed—which at an initial cost of £575m aims to provide work for 200,000 people a year—was launched yesterday by Mr David Young, MSC chairman.

It replaces the Community Enterprise Programme which provided 30,000 jobs for the long-term unemployed last year at a cost of £145m.

The programme was announced by Sir Geoffrey Howe in July. It has already been attacked by trade unions. voluntary bodies, and some Labour councils.

It is based on work "of benefit to local communities" such as canal clearing and roof insulation for public huildings, and will be organised by local authorities and volontary organisations.

Partleipants will he drawn from 18 to 24 year olds un-employed for six months, nr people over 25 unemployed for over 2 year—2 total of 1,220,000. It is the intended average range of £50 that has drawn fire.

The National Association of Councils of Voluntary Service bas called for a boycott and the National Union of Public Employees may also withdraw

The TUC has said that each considered on its merits. Supervision will be in the hands of tripartite Special Programme Area boards.

The MSC is looking for local organisations to sponsor projects employing from three to 1,000 people and will refund operating costs up to £440 per employee.

dir Young said yesterday that 40,000 places on the programme had already been pravided, with 17,000 from columnary bodies. He also said that as soon as the quota of 130,000 places had been filled the MSC would be asking the Government for more money.

Some of the work will be part time which is why 200,000 people are expected to benefit. Projects will not replace existing jobs. The commission is worried by trade union reservations. It said last night that the Programme would not be workable without their support.

Critics of the scheme would bave preferred an extension of the old CEP which paid wages up to 189 a week Participants on the new programme will be paid the local rate for the job-with a ceiling of £89.

Thornton's shop in Covent Garden Market, London

#### Thornton's aims at U.S. chocolate shops chain

BY DAVID CHURCHILL CONSUMER AFFAIRS CORRESPONDENT

one of Britain's oldest familyowned confectionery companies, which makes a range of upmarket Continental type choco-lates, is seeking to break into one bas penetrated the trendy the lucrative U.S. market.

100 shops throughout the U.S. of the re Mr Tony Thornton, the com-pany chairman, was enthusiastic The con-

ports say that the Americans are especially keen on our toffee." he said.

Toffee slarted the company off in Sheffield in 1911, and still accounts for some 30 per cent of the £23m confectionery turn-

Another 30 per cent of sales comes from boiled sweets. The remaining 40 per cent is pro-vided by speciality chocolates. Thornton's, unlike the giants of the confectionary world such

THORNTON'S CHOCOLATES, into confectionery retailing. It has direct control of some 150 shops, with a further 50 franchised outlets, mainly in the

This month it opens two con-market. "With such a relatively short fectionery shops in central. "With such a relatively short Chicago which it hopes may shelf-life for our products, we eventually lead to a chain of felt it necessary to keep controlof the retail end," says Mr

resterday about the prospects £300,000 worth of export husi-for the venture after the open-ing of the first test shop in It decided that the massive Chicago on Saturday. "First re-potential of the U.S. market offered the best vehicle for expansion.

Thornton's has designed its packaging and shop fittings in the U.S. on an Edwardian theme. since the company was founded

Although Americans will be able to enjoy most of the range of chocolates the company's famous truffles, with rum, kirseh, hrandy, and whisky, will not be sold in the U.S. "This i because the U.S. drug lows do as Cadbury, Rowntree Mackin- not allow us to sell chocolales tosh and Mars, has diversified flavoured with real alcohol," not allow us to sell chocolales

# Danes study reclamation

officials from Denmark are to study British reclamation of work-ont sand and gravel quarries from Thursday to

As guests of the Sand and Gravel Association, they will tour Britain's first theme park,

The Danes Intend to reclaim Hedeland, neor Roskilde airport, a rather broken area with gravel pits intersecting fields. become the biggest recreational area of western Denmark.

The Danes will also visit the at Thurpe, near Staines. Attractions there include lagoons, of London, including the bistorical displays and a model Picketts Lock sports complex.

## welcome insurance companies THE JERSEY Parliament yesterday approved legislation that will allow insurance com-

Jersey to

panies to be established in the island. But the new law, expected to be in force by next Easter,

will open the way only to what is termed "restricted inurance business "-that is to reinsurance and captive in-surance business (business transacted by an insurance company owned by a group of companies to cover their own nsurance risks).

Jersey insurance companies will not be allowed to conduct general insurance husiness involving the public.

insurance companies can-not, at present, be formed on the island, so Jersey has missed out on this facet in its development as an offshore financial centre. Guernsey has 200 registered captive insurance companies, while Ber-muda has 1,500.

#### Diagnosis doubts

POST-MORTEM examinations show that many patients are treated for the wrong condition despite advances in diagnostic methods, according to a report by the Royal College of Physicians and the Royal College of Pathologists. It states that "discrepancies" were found when comparing clinical diagnosis

autopsy results. One survey by consultant pathologist ' Cameron in Edinburgh found 'significant discrepancies" in 15 per cent of cases. In another survey the main diagnosis was confirmed by autopsy in only 61 per cent of

#### Dan-Air flights

DAN-AIR, the independent airline, is to introduce week-end flights this winter between London (Gatwick) and Aberdeen, between Gatwick and Newcastle, and between Aberdeen and New-

The airline will also be introducing direct flights between Bristol/Cardiff and Glasgow three times a week. using 18-seat Bandeirante air-

Other developments by Dan-Air from October 24 will include improved timings on the Gatwick-Dublin route to give better connections at Gatwick to lung-hand flights by other airlines.

#### More home grants

THE GOVERNMENT is to extend its offer of bome improvement grants of up to 90 per cent until the end of the 1983-84 financial year. The improved offer was due to run out at the end of this year. Grants to meet up to 90 per cent of eligible costs are pro-vided for the installation of basic amenities such as inside toflets and hot and cold water systems as well as for sub-stantial structural repairs to homes built before 1919.

#### More job cuts **EXCAVATOR** manufacturers

Ruston Bucyrus of Lincoin are to make 140 shop floor workers and 40 staff redundant.

once employed more than 1,000 people at its Lincoln works but over the last three years has cut the workforce to 400. A shortage of orders is blamed for the latest job

#### EEC grants THE RANGE of grants and

loans available from the European Community and the conditions under which they can be given are explained simply and clearly in a guide published by the London office of the European

Finance from Europe, EC own-label and subsequently lost the fact that only about a fifth considered by manufacturers as Weston-super-More, Aron B534

# Prize Guys battle for their just desserts

David Churchill gives a 'potted' history of the £118m-a-year yoghurt market

it out with the Munch Bunch for what promises to be one of the major growth areas in the food market in the coming de-

THE PRIZE GUYS are fighting

Already Britnns eat 770m pots of yogurt a year—an average of 13 pots each—and spend £118 in the process. Trade estimates forecast that in the next 10 years the numher of yearst pots consumed will rise to 1.6bo worth about the flerce promotional battle. vision advertising alone for a

overal! for fond con-siption in The nation is not eating any nut.

more food but is changing its eating habits. The food markets that benefit from these changwhich most food manufacturers sophisticated adult taste for Nine out of ten pots of are eager to exploit.

Consumer tastes are those appeal to the increasingly has held ever since.

Supplied to the increasingly has held ever since.

Express Dairies, part of the Grand Metropolitan empire.

licensed deposit-taking institut unable to find another clearing to the Bank's list of licenced

hank to take on the role and

of Goodwin Sources, says he He has taken his case to the & Hope and Bank of Seoul & does not understand why the Office of Fair Trading, where Trust Co. BankAmerica Fin-

Bank has refused to renew the he says he received a ance, the UK consumer finance the firm's licence. He said he sympathetic response and is arm of Bank of America, has believed the move was an suma Barclays Bank. "I have a heen dropped from the list

screws off Barclays." The Bank damage and the maliciousness interested in takin of England said yesterday that we have had to suffer," says Mr through this vehicle.

"tn make me take the right to be compensated for the because it is no longer of Barclays." The Bank damage and the maliciousness interested in taking deposits

Unigate's froot line tronps are the St Ivel brand's Prize Guys market leader with its Eden Vale subsidiary's Ski brand. Last year Eden Vale launched £500m at retail prices. Hence an attack on the important childreo's sector with a range of yougharts depicting the cartoon More than £2m was spent youghturts depicting the cartoon last year on Press and tele-characters, the Munch Bunch.

This year Eden Vale bas made share of the fast-growing mar- its major advertising push for ket, made even more attractive a range of "exotic tasting by the relatively-static demand yogurts" with a tropical theme -passion fruit and melon, for Eden Vale led the way with its example, or pineapple and coco-

Vale's marketing director, said:

already running at a rate of 50m pots a year after only three months in the shops.

The range of yogurt flavours featured beavily in television in the shops—and their growing commercials this year) while Express Dairies is overall the position two decades ago. when yogurt was seen as a health food rather than an appetising dessert.

The appeal of natural vogurt

Ski hrand-a move which not only paved the way for the Mr Brian Whitfield. Eden overall market growth over the past decade but also gave Skt brand leadership, a position It

was limited so the manufacturers adopted the classic marketing ploy of developing both the contents and the image of the product. In the mid-60s real fruit, rather than just fruit flavouring was added to yogurt,

The heavyweight contenders sales have risen by 46 per cent yogurts. Plain yogurt is very in the battle of the youghurt in three years while mange much in the minority, although pois are two of the major dairy companies — Unigate and of tropical fruit yogurt are used increasingly for cooking (as an alternative to butter or cream in somps, sauces, or the largest group of yogurt-

Yogurt's rapid rise in the

1970s—volume sales more than rebled from 206m pots in 1970 'n 682m in 1980-was due tn a number of factors. Consumer lifestyles, for example, have gradually changed over the last decade, with a steady rise in the number of working women. more television viewing and greater emphasis on leisure activities. This has meant a hreakdown in the traditional family meal patterns and has established a need for instant, ready-prepared foods.

At the same time, consumers have hecome more aware of "healthy living " and more con-cerned about "over-processed" foods. Consequently, the trend has been for convenience foods -but as natural and healthy as

Fruit yogurts have amply fulfilled the traditional British fondness for sweet desserts, especially among ehildren. Households with children from the market - and the habit sticks; so as children grow up. eaters. The major threat to the estab-

lished branded yoguri makers has come from supermarkets' nwn-label yogurts, which have about a quarter of the market, with Sainsbury's and Marks and Spencer the most poular ownlabel brands. Eden Vale's Mr Whitfield.

however, believes that the stroog hrand image and product innovation of the major manu. trade estimates, however, give facturers will ensure that St lvel a much larger market braoded yogurts remain more popular than own-label. He per cent. quotes the exampla of a major retailer which last year stopped in the UK is based on a numstocking Ski regurt in favour of ber of assumptions, not least



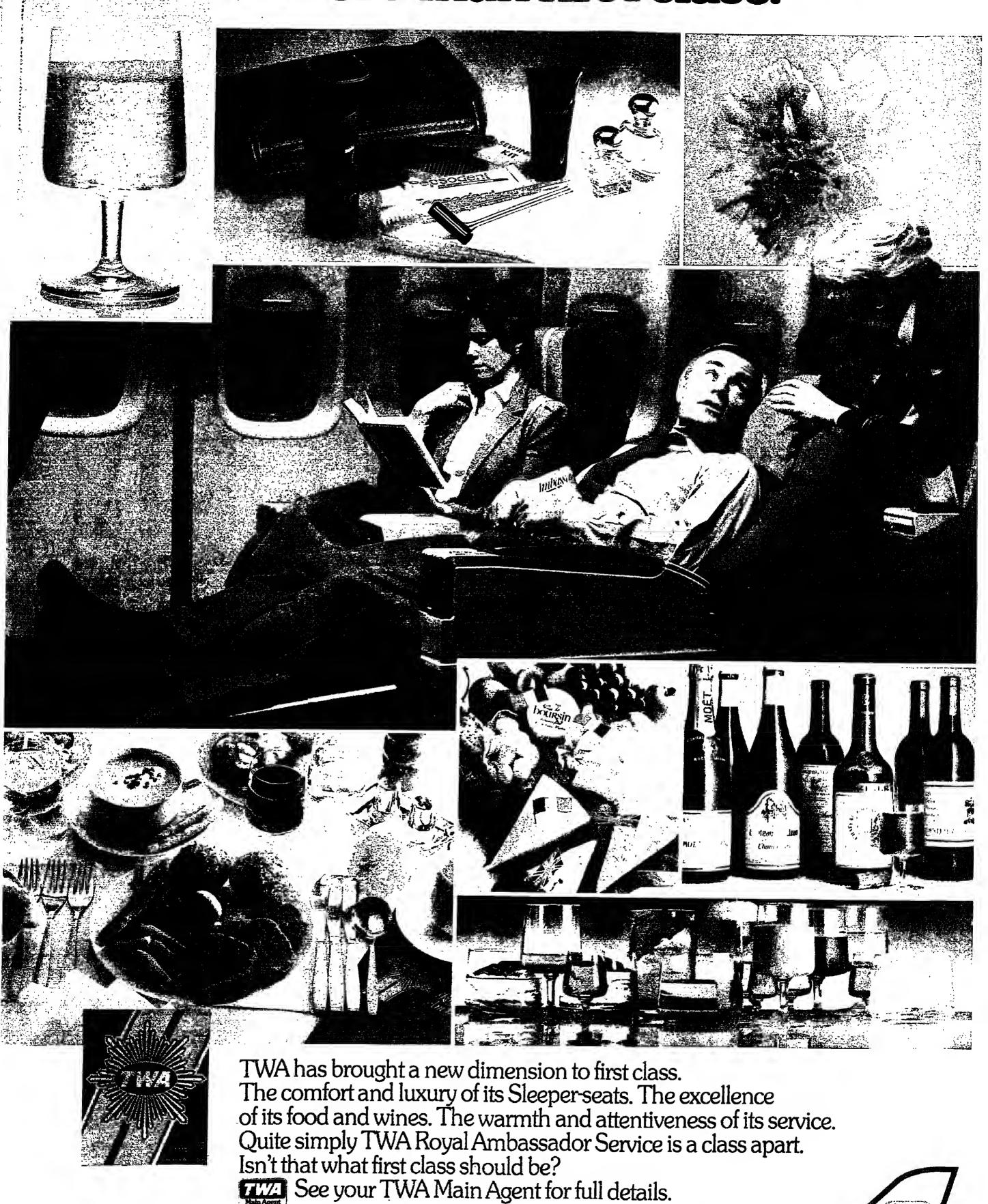
falling slightly this year, down to 23 per cent from 24 per cent last year. Eden Vale also claims that its own market share is about 36 per cent of the total, with Unigate's St Ivel a long way behind at about 15 per cent of the market. Other share, at between 20 and 25

The forecast market growth 10 per cent of its vogurt sales. of consumers at present eat a way of expanding the market. 9EW, Free.

According to Mr Whitfield, yogurt regularly (at least once own-label market share is even a week). Moreover, UK yogurt falling slightly this year, down consumption levels are still below those of the rest of Europe-the Dutch consume the most (15.8 kgs a head) followed by the French (9.2 kgs). UK consumption is about 1.9 kgs a

But growth will also be encouraged by the endless possibilities for introducing new flavours and methods of packaging. Savoury yogurts—such as beef and tomato, curry, prawn, nr martini or champagneflavoured yogurts—are all being

# TWA Royal Ambassador Service is more than first class.



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#### ELECTRONIC FACTORIES OF THE FUTURE BEGIN TO TAKE SHAPE

# Testers will not escape the net

BY GEOFFREY CHARLISH

the automatic test equipment (ATE) industry that the printed circuit board testers of today's electronics factories will form a vital part of comprehensive factory data networking in the plants of tomorrow.

ATE, it is felt, will eventually communicate freely with both computer aided design/mannready looking after such things as customers orders, purchasing, stock control and costing.

That is the long term strategic reason for the recent put. introduction by both GenRad and Teradyne—market leaders in ATE—of networking facilities for their autotesters.

#### Complexity

GenRad's marketing support manager in Enrope, Brendan Davis, thinks there will have to be a complete change of per-spective: ATE will bave to be seen not just 25 a testing machine but more and more as an information gathering resource, branching ont to provide other parts of the plant with data via a common data-

Bill Thurston, the company's president and chief executive officer said in London last week that with electronic complexity doubling each year, producing several times the testing difficulty, ATE was bound to become more and more a quality nerve centre for the product-and quality at low cost was the one thing that might keep the West afloat in electronics.

GenRad already bas developed a high speed local area network. Now, the company is using it in its own manufacturing areas to link up in-circuit and func-

THERE IS a growing belief in tional board testers to a central database. It is the first phase of a davelopment called TRACS —test and repair analysis. control system.

TRACS is a quality management tool designed to increase the yields and productivity of board manufacturing by automating the collection, transfer, analysis and reporting of test facture (CAD/CAM) worksta- and repair data. It establishes tions and with the business a comprehensive real time data-oriented systems that are al- base encompassing all board and repair data. It establishes test and repair activity, giving the manufacturing manager feedback on faults, yields, trends and test system through-

> Even manual system testers can be "wired in" and tha whole operation is controlled and programmed from a central programming station.

> Pieces of paper vanish: any-one needing to obtain or contribute data does so using a screen/keyboard terminal including operatora at visual inspection and repair work-stations. The boards carry bar code taga: the operator "wands" the data into the system to allow communication with the correct file in the database.

> At his own terminal, the production manager bas overall control, TRACS providing automatic real time warnings of possible problems as the antotesters generate their test data.

The rationale behind the new networking product from Tera-dyne, called Teranet, is basically similar and via various terminals on the net the system can cope with program development and management, test data collection and analysis, depart-ment supervision and yield monitoring, and tions with other functions in the factory.

Says product manager Eliza-

22 GHEWRY GREWIT

GenRad, a market leader in automatic test, believes that this is how networks will be used in the intura to link the test equipments together and to programming, control, inspection and repair terminals. Eventually, other factory computers will be linked.

beth Sulak: "Electronics manu- longer and more complex job facturing is characterised by rapid change and stiff competition as well as increasingly

MARTINI

There's an art in picking the right one.

To the palate of the true connoisseur, there is nothing quite like Martini's unique combination of the choicest wines and herbs. It is inimitable, trresistible. And absolutely right.

programs as well as greater volume of test data." Up to 250 automatic test

complex product designs. In the equipments can be connected test department, this change over Teranet to what Teradyna and complexity translates into calls tha test system director and Teradyne on Esher 62199.

Transmission rates are said to be 100,000 bits/sec, which is "20 times the rate offered by most ATE manufac

The TSD is based on a PDP-11/44 computer system, 512,000 bytes of main memory and a pair of 10 megabyte disc drives. The TSD via appropriate soft-ware deals only with such things as program development and management, test system monitoring and supervision, data collection and analysis and factory communications. Since the test equipment computers are relieved of this work, test throughput is increased, says

"The Information," says Sulak." can be used to analyse manufacturing fallure mechanisms and quickly spot areas in the process that require corrective action, thereby improving product quality."

#### Networks

MARTINI

Teranet is just becoming available now for the company's major products, and all future major products, and all future a computerised microfiche products will be able to tie into reader to belp solve this probthe network.

A representative system, with all the software and one year of software updates costs about

There seems little doubt that other ATE manufacturers will follow suit with networks of sufficient speed for on-line sys-

Users will probably implemeot them step by step, adding first a programming station to relieve the load on currently used production testers, then following with test data manage-ment and repair stations, and eventually adding gateways to other computer systems. In the UK, GenRad is on 0628 39181

#### INFORMATION STORAGE

# A 'record' of 6,000 pages plus

the London Telephone Direct to write the tiny patterns or tory, then add the Shorter silicon chips) with laser, elec-Oxford English Dictionary to tronic and optical technologies the top of the pile, to make it possible for a That is roughly 6,000 pages. customer to buy copies of a Now imagine all those pages fully printed Mnemos disc for impressed on a single long about the cost of a long-playing playing record sized piece of record—in lots of 300 upwards. translineant plastic together According to Mr Leon Staclowith around 150,000 words, and you have the Mnemos ontired to the standard of the standar

you have the Mnemos optical information storage disc. It can be read using a device not unlike a large microfilm viewer. Individual pages recorded on the disc can be picked out and displayed on a clear, steady screen. The alphanumeric data can be read out on a single line display mounted

in the keyboard. Mnemos is a new company set up to exploit a bright idea in information storage. Microfilm and microfiche (the mounted version) can store vast amounts of information very cheaply but are awkward to use and frequently difficult to index. Bell and Howell bave produced

Storage in digital form in computer memory is fast, simple to index and retrieve but expensive—prohibitively so if vast amounts of data are to be stored. IBM, for example, has developed a mass storage handler with robot arms but at a price of £329,000 for 35K MBytes or £941,000 for 472K MBytes.

Mnemos saw a need for a cheap way of storing and pub-lishing large amounts of data parts and spares lists for motor procedures manuals for tha

The Mnemos system combines (609) 896 3450.

IMAGINE ALL four volumes of electron beam technology (used

ciency associated with current micrographics and computer based storage and retrieval

design and technology was partly the work of Patscentre, the RnD arm of PA Inter-

national. write images and digital data (in bar code form) on a glass master from which plastic

The page images are projected onto the screen; the bar code data is read into a buffer memory which feeds tha single line display.

The viewer costs £1500; tha maker's claim that the system can lead the user step by step the Mnemos production studio on 01-977 4406 or in the U.S.

Analysis

former senior executive at Exxon (he is credited with devising the electronic type-writer): "We have eliminated much of the expense and ineffi-

Mnemos call it System 6000and it is basically a fully auto-mated intelligent catalogue. The

replica discs are produced.

All the material on the disc is read optically by the viewer.

Various combinations of visual and alphanumeric data

are possible on the disc-6000. pages and 150 thousand words or 5000 pages and one million words.

vehicle distributors, legal docu-ments for solicitors and lawyers, More about the system and

# New Mettler electronic

balances

for building products.

heat exchange, fluid power,

refined and wrought metals.

WEIGHING IN both the macro and semi-micro range is now possible with the elec-tronic analysis balances, type AE163, developed by Mettler Instrument AG, CH-8606 Greifensee, Switzerland. Prolonged pressure on the scales' single weighing key changes the function from indication of weglins in the 0-162 gramme range with an accuracy of 0.1 mg (macro) to semi-micro display with an accuracy of 0.01 mg in a range

of 0-31 g. A cheaper model, the AE160, is limited in the macro range. Both balances have been constructed with the weighing cell behind the actual scales, enabling installation of a weighing surface so low that an operative can find stable support for his or her hand on the working table.

#### Agriculture Table bandsaw for farming applications

A VERTICAL table bandsaw for farming applications is available from Forestor of Whitehurch Hants. The comvanuentren, fights. The com-pany says that the new band-saws are the only ones on the market capable of being tractor mounted using a firee, point linkage.

There are six models in the range with a starting price of £390. They are fitted with their own electric motors. More information available on 625 682 2280.

#### Assay

#### Measuring coal ash using radiation

Tr IS important for coal preducers to assess the ash content in their product before it goes to the customer. Some contracts contain financial penalties if the ash content

Wultex Machine developed a continuious method for measuring ash content which it claims is fast, accurate and low cost. The system operates by continuously measuring the backscatter of gamma radiation from the coal flow. The ratio of radiation backscattered radiation absorbed is dependent on thechemical composition of the coal being scanned. ally the higher the ash coutent the lower is the amount. of backscatter. More infer-1 mation on 0484 46711.

#### LOANS AT **REDUCED RATES**

Are available for viable factory projects in seel closure areas. Ring BSC industry on 01-486 0366 Est. 300 or write to us at NLA Tower, 12 Addiscouble Road, Crowdon, CR9 3JH.

#### FORD'S NEW DIESEL ENGINES 'Kent' family offers fuel economy FIRST TECHNICAL details of matching of the engine and a new Ford Kent diesel engine, transmission to suit the vehicla requirements. According to Ford test results. the new diesel is 10-15 per cent due to be installed in the frontwheel-drive passenger car range in 1984, were released yesterday at an International more economical, has a top Conference at the Institution of Mechanical Engineers Currently, Ford diesel cars are confined to the larger 22 seconds). Cranada and new Sierra models While retaining the cast from

Granada and new Sierra models

Beigium. With highly efficient diesel competitors already availabla from most of the larger European groups (Volkswagen-Audi, Peugeot-Citreon, Fiat and General Motors), Ford has been developing a dieselised conver-sion of the Kent engine family

for the past two years.

It is based on the pushrod petrol engine which previously powered most of the Ford small and medium car ranges, but has now been almost totally supercoded by the overhead cam Pinto unit and Bridgend-bnilt CVH engines.

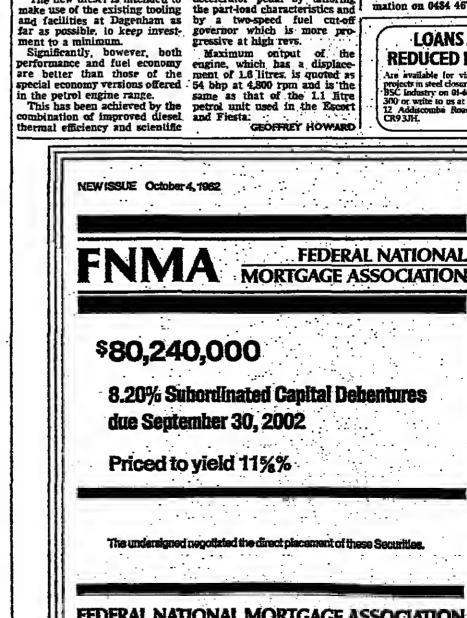
The new diesel is intended to ment to a minimum.

speed about 5 mph higher (88 instead of 83 mph) and accelerates from 0 to 60 mph in seconds less (18 instead of

in a European market being cylinder block of the petrol encouraged to enlarge by engine the Kent diesel has a structured fuel pricing particularly in Italy, France and also in cast iron but fitted with camsbaft. in-line indirect injection. To cater for future needs and

provide flexibility in the design for the next generation of diesel engine technology, there is the capability to convert the head to direct injection or add a turbo-charger. Like most current passenger

car diesel engines, tha Kent uses a Ricardo Comet V swiri Particular attention has been paid to providing the new desci with the "driving feel" of a petrol engine through the accelerator pedal by tailoring



FEDERAL NATIONAL MORTGAGE ASSOCIATION

This ennouncement appears as a malter of record only.

Like all really good ideas, its blindingly simple.

It puts the people who want work together with the work that needs to be done.

The people who want the work are those who've been unemployed for some time. 18 to 24 year olds who've been out of work for six months or more, and people 25 and over who haven't worked for a year or more.

And what about the work?

DANSAI JCEDRAE

1744 1710N

There's all sorts of things that need to be done - but that wouldn't be, without this programme. Which is why we've called it the Community Programme, because it benefits everyone in the community.

It will provide work for people who haven't worked for some time. Paying them a proper wage based on an hourly rate.

And they'll find themselves doing really useful things, such as:

Turning disused buildings into community centres.

Working with children.

Insulating lofts.

Making new parks from derelict sites.

Running creches for one-parent families.

Gardening and decorating, for elderly and disabled people.

Cataloguing archives.

Renovating clothing and furniture for use by the social services.

The list is as endless as the needs in the local community.

The Community Programme will provide the money for full or part-time employment for thousands of people.

Not everybody joining the scheme will be working, or want to work, full time. But two or three days a week on the Community Programme can pay more than the dole.

But the real benefit is something more than money.

People who've been unemployed for long, long periods will now find themselves with a reason to get up in the mornings.

They'll be doing a day's work alongside other people. In many cases, with the opportunity of being trained in new skills.

which too often has been worn away by months and months on Work for people who

the dole, so they will also rebuild their chances of getting back into permanent employment

The Manpower Services Commission will provide the resources, but the work itself will come from local authorities, voluntary bodies, the churches, community groups, and industry.

In each case, no work will be taken away from others, as each project must be something that otherwise wouldn't have been done. The Community Programme takes over from the very successful Community Enterprise Programme, which already provides 30,000 places.

But the new Community Programme aims to extend this to 130,000 places. Giving new hope to those who've been without work for so long.

Which is why the Community Programme is receiving wide support, including the CBI and the TUC.

If you'd like to know more about any aspect of the Community Programme, your nearest Jobcentre will be glad to provide the details.

haven't worked for some time. MSC



**Boardroom** 

style of

debate

disciplined

IT RAPIDLY became clear yes-

terday that the conference atmosphere at Brighton is

going to be very different from the Labour Party's

shenanigans at Blackpool last

week. The annual gathering of the Tory faithful was firmly under the control of this year's conference chalman, Mr. Donald Walters, deputy managing director of a banking and finance group.

As far as he is concerned things

are going to be run on strict boardroom lines and there

will be none of the nonsense about "comrade champerson."

speakers would be kept to their allotted time. He had a

new stopwatch and intended to use it "relentlessly and ruthlessly."

One of the main interests was to spot the Ministers whn are on the way up and those whn

First we had Sir Keith Joseph,

Education Secretary, win managed in reply to the education debate without once chutching his forehead or wringing his hands in anguish. On the eve of the conference there had been alarming rumours that the

elarming rumours that the veteran guru from All Sonls intended to retire from politics at the next General Elec-

fusing business.

are on the way out. This turned out to be a very con-

Firmly, he announced that

#### **Parkinson** points to **Alliance** threat

A WARNING that more Conservative than Labour-held seals were under threat from the Social Democrat-Liberal Alltance was given to the conference yesterday by blr Cecil Parkinson, the party

He stressed that of 80 constituencles where the Alliance believed it had the greatest chance of success, 78 were now represented by Conserva-tive MPs.

Mr Parklason commented:
"So much for the Alliance replacing the Labour Parly. What it is trying to do is to split the non-Left vote and that could allow the Labour Party to win."

He underlined his concern about the impact being made by the Alliance by insisting that SDP and Liberat teaders should be given less exposure on television.

The Alliance claimed to be

a single entity, he said, and it should be treated as such. It was wrong that individual Liberal and SDP representatives should be altowed to give their views on every

Mr Parkioson strongty attacked Mr David Sleel, the Liberal leader, for accusing Mrs Thatcher of having sought to gain party political advantage out of the achievements of British forces in the Fatklands.

Mr Parkinson suggested that the reason for Mr Steel's change of identity from "Mr Nice in Mr Nasly" reflected the fact that he was getting desperate.

The Conservative chairman went on to call for a witter application of the sense of nathmal unity and purpose which marked the Falklands

Re accepted that the bight level of unemployment would he a major issue at the next election hut perdicted that attempts to lay all the hlame on the Government would not succeed.

Lahour and Alliance leaders were trying to mislead the most vulnerable in the community into helieving that there were easy solutions to

the unemployment problem.

For Parkinson ciled the "ahandonment of the socialist experiment" in France as further evidence that there were an practical alternatives to current Government puli-

He declared: "People know tbat unemployment is an immensely complicated issue. It is something which will take time to put right." Earlier Mr Parkinson de-

scribed as a "dead duck" the Government Think Tank report, which recommended dismant ling οľ National Health Service.

Mr Parkinson was speaking in a BBC Interview a few hours before the conference opened. He was questioned about his statement on Monday that the report had been shelved by the Cahinel and also about a statement by Mr Edward Heath, the former Prime Minister, that it should ant he merely shelved, but scrapped.

Mr Parkinson said: "I meant by 'shelved' that it ls over and done with, it will not be implemented. If Mr Heath is not happy with the word 'shelved,' perhaps he will now feet happier with that explanation. It will not be considered any further. It is a dead duck."

The party chairman sald there was anxiety in the Cabinet that the health ser-rice should be improved. This idea that we had it in mind to wreck the bealth service, with the implication that If you did not have money you would not be lnoked after, is total after, is total donseuse.'

Nurses and health workers are expected to tohby the conference today as It dehates the health service. An official of the Cnufederation of Health Service Employees said yesterday that the conference organisers had refused to issue tickets to allow a deputation into the hall

tenants to huy their own homes were disclosed yesterday by Mr

John Stanley, the Housing Minister, He hold the confer-

ence that the Government would

act in this parliament to extend the existing right to buy to pro-

perties on leasehold land as well as freehold. This was a firm

commitment and could affect

Mr Stanley's remarks came

after Mr Gerald Bowden, pros-

pective parliamentary candidate

for Dulwich, spoke of some 800

householders there who were

suffering from this technical

Mr Stanley also hinted that

new crackdown against

the Government was planning

Labour-controlled local authori-

ites which oppose individual

The warning came when the

Minister was replying to the

debate on housing. He said that

progress with the right to buy

had been achieved "in the teeth

of every type of obstruction and

council house sales.

several thousand homes.

disphility.

# Alison promises more curbs on union militants

CONSERVATIVE leaders legislative proposals would be yesterday announced the first taken in the next few weeks steps towards making the laming of unrepresentative, a public consultation stage.
militant trade union leaders a To cheers he declared: major issue at the next general The disclosure was with enthuslastic greeted support from the rank and file the party conference in

Mr Michael Allson, Minister of State for Employment, responded to demands for more radicat measures to reform the unions by foreshadowing new

Reports from Peter Riddell, John Hunt Ivor Owen and Lisa Wood. Pictures by Ashley Ashwood

hailots. He also outlined proposals for testing public opinion on views of ordinary trade union support for mandatory strike members were seldom reflected bailots and the introduction of by Mr Moss Evans, general secnew arrangements making it retary of the Transport and easier for trade union members. General Workers Union. Me to avoid paying a political levy Arthur Scargill, the president

when the Government launched To cheers he declared: "A new spectre is stalking the corridors of power of the British

trada union movement—the spectre of democracy. Mr Alison said the legislation providing for ballots on the closed shop, which is now in the final stages of its passage through parliament, would introduce democracy at the heart of

the trade union movement.

He stressed: "The time is now ripe to introduce it to the head. there the crucial decisions are

Mr Roger Gale, who will fight for the Conservative Party in the forthcoming Birmingham Northfield by-election, sald the 5m trade unionists who voted Conservative at the last election were still looking to the Government for measures of union

legislation requiring the balance of power which stift appointment of trade union rested in the hands of 2 eaders to be subject to secret minority given back to ordinary trade union members.

Mr Gale claimed that the next Conservative election manifesto was likely to include proposals requiring all university students in meet part of their main-tenance costs through loans. to the Labour Party.

Mr Alison said the first step towards the formulation of firm tary of the TUC. quality of teaching, particu-larly in primary schools, were a recurring theme in a debate on education and Sir

# Jenkin outlines privatisation hopes

privatisation, including a the means and the schemes by search for private sector money which these companies could be for BL, was promised by Mr helped, but the ammunition is Patrick Jenkin, Industry Secretary, yesterday.

Mr Jenkin said: "BL expects munication with them. I supto reach break-even next year port this motion but it is null and to begin to seek private and vold if we don't help the sector money for its mainstream smaller husinesses. business-a first step towards returning the whole company to private ownership.

He was applauded when he added: "We owe an enormous deht of gratitude to Sir Michael Mr Jenkin confirmed that

before the end of the year he would introduce a Bill to allow shares in British Telecom to he sold to the public. He described a failure of will-added: "Lahour also left us power throughout British in musome state industries whose condition was, to use the ominous medical understatement, giving cause for concern; BL. British Steel, British Shipbuilders and Rolls Royce.

They were "hleeding the tax-payer while," and no government of any party could let that go on. Mr Jenkin said he had heen

working to ensure that taxpayers' money was used not to perpetuate losses, but to rebuild sound and profitable businesses. He also urged consumers to huy

His speech followed a debate in which Government policy largely e-caped criticism. The most serious exception

was from Mr Ray Godsell. Rugby, a consultant for Ingersol Engineers, who said engineering companies employing 300 people or less were "in very serious trouble" and would not benefit from the further extensing of private ownership.

This had been called for in a motion moved by Mr Peter Hubbard-Miles nn behalf of

Mr Godsell said he was referring to those eight out of every 10 engineering companies which

employed a total of 2m people They had slimmed down their afford to pay their rates or to

"I am glad to say however

that as a result of the massive

effort that we have put into the

right to buy in the department

dous support given to tenants hy

Conservative associations io

Labour-held areas, and as a result of the use already of our

statutory intervention powers early this year-powers that we

are entirely ready to use again,

and may indeed do very shortly—the obstruction by Labour

councils has been sleadily worn

down. The right in buy is now being delivered in every single

Labour area without exception."

Mr Stanley had been urged

by Mr Craig Rohertson, who moved the housing motion m

behalf of the Altrincham and

Sale Conservative Association,

to give an assurance that he

would improve powers against local authorities which "twisted

and turned" to abstruct council

as a result of the tremen-

landiords."

hecause they don't understand Replying to the dehate on the opportunities provided. We free enterprise and industry, must have better means of com-

> his speech the 100 or so measures his Government had introduced to help small com-panies, which he described as "the seed-bed for future jobs."

> economic director of the Asso-ciation of British Chambers of Commerce, Lambeth Vauxhall, spoke against the motion. He described a failure of willtry with things not being put unti dustry learned to co-operate as they had dooe in Germany, and took power.

> try, going to work together?" ping them would save the taxpayers money and bring it home to the individual that it

He said, however, that he had mistakes, let us say to the coun-

Mr Hartley Booth, Norfolk Aberaron Conservative Association, which the conference equip pupils to be the husinessmen of the future. "The attitude of get-up-and-go must be

Mr Robert Arkins MP for Preston North and vice-chairman of the Aviation Committee, workforces, reduced stocks and said a future target for priimproved production, but they vatisation could be the British still lacked orders and remained Airports Authority. It had uncompetitive. They could not faults, but an excellent management. "But it is ripe for an

Mr Jenkins had outlined in

Mr Joseph Eggerton, former France hefore M Mitterrand

"I do helieve this motion has failed to address itself to the fundamental Issue which is how are we. Government and indus-Mr Jan Bruce, Hudderfield, who runs a private employment agency, argued for the closure of state-run job centres. Scrap-

was up to him or her to find WOLK. not come to "tirrow stones" at the unemployed. "We were elected to right the evils of 1.5m unemployed: now it is 3m. No politicians and no party, is infalible. So when we make

and let us get it right." re-generated."

meet the needs of health and fojection of private equity environmental acts.

mitment to the encouragement

of private house building, home

ment in bousing in the next

round of public expenditure

Mr Stanley said he welcomed

the spirit behind the motion, but said it underestimated what

the Government had done already. "It urges us to give more encouragement in private

house huilding. As I hope you have noticed, we have certainty

been doing just that round the

clock, for the past three years."

There had never been so

many councils doing law cost

home-ownership schemes with

private builders. Decisions on planning appeals had never

been extracted more quickly

from the Department of the

Environment, Private house

hailding atarts went up 20 per

cent last year and had gone up

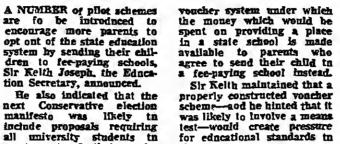
another 20 per cent, so far, this

On home improvements, Mr

and hudget decisions."

inprovement and public invest-

tion "harrassment by Labour increase substantially its com-



He envisaged an increase in the number of good, popular, independent schols.

A voucher system, com-bined with the operation of schemes which permitted a higger element of parental choice in the state sector, would achieve an even greater impact. Where this was pos sible, Sir Keith sald, some of the least good state schools would disappear and others

might be galvanised into achieving better results. He looked to local educa tion authorities to co-sperate in the introduction of the voncher system, through

A STANDING OVATION: Mrs Thatcher leads the applause for Mr Cecil Parkinson (centre), the chairman of the party

Sir Keith gave no details of the time-scale he had in mind for the phasing ont of the present student grant system and its replacement by a mix of grants and loans.
He stressed that loans were

used in many Western countries and contended that they could be a means to widen rather than narrow ecess to higher education. Sir Keith highlighted the fact that the money which the Government was providing for state schools this year was running at record levels in

real terms.

For the primary school child the average was £778

Sir Keith to launch fee-voucher scheme per annum and in a second-ary school child unfer 16 the average was filled. For a secondary school child neer 16 the average was filled. These record levels of ex-penditure per shift were matched by a record in pro-ment in the multi-labor.

ment in the pupilitather ratio. There were fiver pupils per teacher il unever-before. Sir Keith reminded erities of the poor standards of literacy and numerancy amount

same children that the parents also had a required

were needed in the party disfor children who were not academically inclined. The school programme for such children often bored them silly and that was hardly the ideal vehicle to equip them

#### **Expenditure** inquiry urged

AN INQUIRY into all areas of public spending examining every option and reporting back in six months has been urged by a Tory researcher who recently joined the Prime Minister's office in Downing

Mr Christopher Monckton, writing in an official conference publication, argues that the Government has shown little sign of starting to carry out fundamental thinking about reducing its spending. In the article, written before he went in Downing Street, Mr. Monchion urges the examination of for exa the transfer of education to a voucher system and of housing to council tenants by wide-spread sales. This, he says, could save nine-tenths of the hadget and work of local authorities.

Mr Monckton also suggests the privatisation of the National Health Service as another possible option.

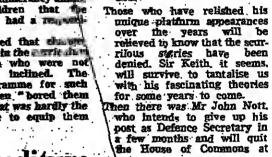
On a smaller scale, ministerial teams could consider whether the Central Office of Information, the Arts Council, the Social Science Research Council the Department of Industry or the Equal Opportunities Commission should exist at all."

The article illustrates the growing debate within the Tory party about the contents of the next manifesto which remains wholly unaffected by the shelving of the Think Tank report on .

Elected peers plea THE Conference is to debate a call for the House of Lords in become partly elected. The

debate will come on Thursday on a motion from Grmskirk constituency association.

The conference will also debate a call to the Government to extend schemes which will allow some social security payments to be paid to workers who lose their jobs until they can become established in their





Sir Keith: an ibsence of angui

election time, But in touching and emotional scenes yester-day it became clear that Mrs Thatcher would cearly love him to stay on.

We then witnessed a spectacle which would have been unthinkable 10 years ago—an area official of the conserva-tive Party, Eve Falkner, criticising the Church of England to resounding cheers of support from the hall.

She maintained that the Falklands memorial service had been used by the Church as a deplorable exhibition in support of unilateral disarma-

How one wishes the Church would keep its mini on higher things," she sighed. Mr Nott in a rousing peroration, told them that there was a single woman without whom Britain's great success in the Falklands conflict would not

have been achieved. That woman was sitting beside him . none other than Wre Thatcher. At that delegates rose in wild applause and Mrs Thatcher, with tears in ber eyes, clutched Mr Nott by the arm and cooed: "You should not go, you really shouldn't." Ales, though her words left Mr

Nott with a lump in his throat, it has not changed his mind. The lure of a return to merchant banking has triumphed over sentiment. The star performance of the

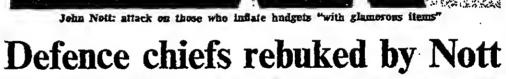
day, however, came from Mr Cecil Parkinson, chairman of the party who is an influential member of the Cabinet. As Mr Walters reminded us, bardly a day goes by without a television or radio appearance by Cecil.

Nevertheless, politicians have an uncertain existence and even the party chairman has to climb a slippery slope. Yesterday he described how. after he took on his present job, the Tories lost several by-elections and their seats on local councils were going down like ninepins.

Jocularly he had told Mrs Thatcher that if this contiqued much longer he expected that she would ask for

I waited for the Prime Minister to laugh," he recalled. "I waited and waited. But her expression simply became more thoughtful,"

John Hunt



DEFENCE CHIEFS yesterday given a hard rap over the knuckles by Mr John Nott, the Defence Secretary, for arti-ficially inflating their budgets certain quarters—of loading with expensive and glamorous more into the forward plans

tion Secretary, announced.

Complaints about the poor

Keith's insistence on the need to provide an incentive

to poorly run state schools

to improve their performance

best be achieved through the

He argued that this could

was well received.

debate on defence.

He also announced that he has lifted the restrictions on training levels and activities on the amount of fuel the armed forces are allowed to These measures, which had been introduced to cut protests from the services. On the budget Mr Nott said that there would have to be a better balance between vital

Answering the call for a sub-

stantial increase in public investment in housing, he said

provision for local anthorities

had been increased by 6 per

cent in real terms this year.

All the indications were that councils' actual expenditure on

housing was well below the level of public expenditure the

Covernment had made avail-

Mr Stanley said discussion

was now moving to the question of how well public money was

being spent and that meant

asking whether more use could

be made of the private sector

in helping to solve housing problems. It meant councils

giving every encouragment, as

The Minister called on con- so."

abie.

were within its budget like anyone and more Challenger tanks. But else," he said. "There has been a habit in

"This practice has got to stop," he declared firmly when he replied to the conference debate on deference This, he said, had caused great problems for himself and

for Mr Francis Pym when he was Defeoce Secretary. It had caused problems for all the defence junior ministers

He emphasised that there was nothing to be gained from eosts, hve led to widespread having more ships, tanks and protests from the services.

aircraft if we could not afford in support them with modern weapons, with electronic counter-measures and with war equipment and the more properly trained men.
expensive capital items. "The He certainly wanted

He certainly wanted more Ministry of Defence must work frigates, more Tornado aircraft sary to maintain peace.

the Government to carry it

Mr Nott pointed out that the cost of weapons was now rising rapidly. The torpedo pro-gramme alone was costing £2bn. which was sufficient to build

the logistic back-up.

15 new destroyers or frigates. But a Hunter-killer submarine was nn use without torpedoes. The greatest gift he wanted to pass on to his successor was a defence budget that was in proper order.

il was also necessary to have

more stocks of war missiles and

The conference approved a resolution calling on the Government to review defence policy in the light of the Falklands. It also wanted the Gorernment to explain clearly to the nation why a balance force of conventional arms and nuclear deterrents was neces-

Right to buy promised to more council house tenants

further, and I mean a lot further." By the end of June this year the number of council, new town and housing association empty council properties."
Mrs Meg Wates of the Wrekin
District Council, said: "Too homes sold since the Govern-ment took office had risen to 370.000 completed sales. If the Conservative Covernment ran its full length, the number of privately owned council houses would be well above half a

Twenty-eight Labour councils had now completed the sale of more than 1,000 houses, under the right to buy. Eight Labour councils had completed more than 2,000 sales and two Labour councils had completed planning authorities to more than 3,000 sales. "So we builders wanting to build are delivering in Labour areas homes for first-time buyers. and we intend to go on doing and we intend to go on doing

million.

resterday that the 90 per cent rate of grant would be extended to all applications received up to the end of the 1983-84 financial year.

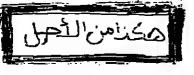
The purple of the social revolution that is now taking the council, he said, had not the resources or manpower to the council the resources or manpower to the resources which were empty or derelict. The council, he said, had not repair them. "What you must now do." he told the Minister, "is to say that if a council house Is vacant for more than three years you must sell it by law. You must stop this scandal of

many owner-occupied houses are falling into disrepair because their numers are unemployed." Sha called for the Government to enlarge the amount of money the unemployed could earn so that they could "help themselves and the economy by earning a Mr Craig Robertson called on

the Government to simplify the legislation, on take up of home improvement grants and to abolish value added lax on housing repair bills. He also called for the raising of the limit on mortgage tax relief and for a of every type of obstruction and

The motion, which was car. Stanley annuanced that local ference not to underestimate. Mr. Christopher Sills, of lifting of the threshold on stamp cils." He called such obstructive ried, urged the Government to authorities were being told the impact of the Government's Hackney couocil, spoke with duty on house purchases.





#### Two main craft unions in merger bid

By John Lloyd, Labour Editor

THE EXECUTIVES of the two main eraft unions, the Amalgamated Union of Engineering Workers and the Electrical and Plumbing Trades Union, are to. meet on October 19 to discuss merger plans.

Both are firmly Right-wingled and have a combined mem-bership of more than 1.4m throughout manufacturing industry. A merger has long been mooted and is a major goal of both leaderships.

The impetus to merge has been given a boost recently by a number of factors, including the depressed state of the AUEW finances and continuing loss of members by both unions.

Talks on building a federa-tion between the EPTU, the General and Municipal Worker's Union and the white-col-lar union Apex may be in jeopardy after the decision by the GMWU at the Labour Party conference last week not to support Mr Tom Breakell, the EPTU president, in his candidature for Labour's executive. EPTU officials asid that thie ended the prospect of a federa-

Substantial problems remain to he ironed out between AUEW and EPTU. Chief is the AUEW's time-honoured struc ture of district committees, the base of the union's elective pyramid, which runs directly counter to the EPTU's more streamlined industrial struc-

ture.
The EPTU has, since the political and organisational transformation it underwent in the early 1960s, banned Communists from holding office, a ban which the AUEW, though Right-wing, might be reluctant

The AUEW'a dominant Engineering Section has been blocked by the courts from effecting a full merger with two other members of the AUEW "family," the construction and foundry sections, through the opposition of the fourth member, the white collar engineering union AUEW-Tass. Legal difficulties could also prevent a merger; with the electricians.

Finally, the EPTU-GMWU-Apex federation could still be on the cards. Meetings arranged before the Labour Party conference have not been cancelled.

# Weighell faces suspension threat

BY PHILIP BASSETT, LABOUR CORRESPONDENT

LEADERS OF the National was a broad measure of support volvement in the casting of the vassed among NUR leaders is Union of Railwaymen will try for moves to suspend Mr union's vote. that Mr Weighell should be today to suspend from office Mr Weighell, pending a call for his If a motion calling for Mr severely admonished for his Union of Railwaymen will try for moves to suspend Mr union's vote.

today to suspend from office Mr Weighell, pending a call for his If a motion's dismissal at next week's Weighell's susgeneral secretary, for his part in specially recalled NUR annual day. Mr Ham the row over voting in the general meeting to consider this next week's re-Labour Party national executive elections last week.

Mr Weighell's decision not to cast the NUR's 179,000 block vote for Mr Eric Clarke of the National Union of Mineworkers —taken apparently in defiance of the NUR delegation— resulted in the miners losing their seat on the executive.

Today's urgently convened meeting of the NUR's executive committee follows an informal meeting of executive members yesterday, when the issue was discussed in the absence of the

It is understood that there

Crewmen

protest at

job cuts

Financial Times Reporter

2 U.S.-registered oil field

supply boat, in protest against ships with cheap foreign

labour undercutting British flag vessels in the North Sea.

The sit in, prompted by redundancies abourd Tartan

Sea, a U.S.-owned vessel, tied up 11 other UK supply goats

Today the National Union

of Seamen in Aherdeen will

approach the Transport and General Workers' Union to

block all services to foreign ag vessels with alleged cheap-

The Tartan Sea, owned by

North Sea Logistics, was laid up in Dundee en Monday.

resuling in six redundancies,

A union official said last night: "UK seamen have reached the end of their

tether. They see ships sailing in and out of North-east

ports, carrying cheap foreign labour and undercutting UK

"UK seafarers have said,

enough is enough and they

according o the union.

vessels contracts.

are not willing to

situation continue."

in the port last night.

labour crews.

specially recalled NUR annual day, Mr Ham might claim that general meeting to consider this next week's recalled conference year's British Ray pay award.

It is still possible that while today's formal executive may consider both the officers' reports of the incident and a report by the NUR's delegation to the conference, a move to suspend Mr Weighell may not materialise.

It is understood that Mr Tom Ham, NUR president, yesterday assured executive members after their informal meeting that the issue would be debated today. But it is believed he refused a request to step down from the chair of today's meet-ing because of his alleged in-

Weigheli's suspension is out to-

**UK NEWS-LABOUR** 

deal with such an issue, and not the union's executive. The conference would be likely in eny event, to follow its traditional pattern of supporting Mr Weighell.

in Birmingham is the body to

dominated executive committee following the decision by the annual conference to abandon: a sirike called by the executive, and the results of elections for the new executive which will tribunal award of 6 per cent. take office in January. Those which firmly tied to produc-showed large-scale gains by the tivity improvements, until the

Another option being can next week is known

conduct and that the general secretary should lose the right to cast the union's block vote. The block vote card would then be held by the NUR presi-

dent. Since he is elected for a three-year term, unlike the general secretary, who is elected for life, it is felt such a move may mean a greater degree of control and account A question-mark hangs over degree of control and account the credibility of the left shillty over the casting of the

> Meanwhile, both the other rail unions and BR seem to be staying their hands on any decisions on the McCarthy pay outcome of the NUR conference

#### New clause tabled to Tebbit Bill

By Philip Bassett,

THE GOVERNMENT yesterday tabled a new clause to its Employment Bill which will require companies to state publicly their annual progress on arrangements for greater employee involvement.

The amendments to the Bill follow a short period of con-sultation with industry on proposals which would require companies to make statements in their annual reports describing the action they had taken to introduce employee participation schemes.

These proposals stemmed from an earlier amendment carried in the House of Lords, which was accepted by the Government. The Bill was introduced by Mr Norman Tebbit, Employment Secre-

tary. Consultations with industry have produced two main changes. First, the threshold figure to which the provision would apply has been raised from a minimum of 200 employees to 250, to bring It into line with reporting requirements for the employment of disabled people.

Secondly, the proposals will apply to companies with existing participation arrangements, as well as to those

introducing them.

Though it will become Clause I of the Employment Act 1982, the effect of the clause is to amend Section 16 of the Companies Act 1967.

UNION leaders are to seek urgent talks with the Government over departmental decisions to discipline civil servants who took industrial action in support of health service workers on the TUC's Day of Action on September 22

About 30,000 staff have been sent initial letters of warning, and a further 150-200 are being threatened with further action. Mr William McCall, chairman of the Council of Civil Service Unions' major policy committee, said the Government should "stop this nonsense" before there is a major industrial dispute over "this reckless abuse of the disciplinary code."

# Fewer join regional health pay action

BY NICK GARNETT, NORTHERN CORRESPONDENT

THE TUC staged its second regional day of action yesterday but the Northern Regional Health Authority and the unions said that fewer health workers days of action during the dispute.

delinited

dispute. The Regional Health
The CBI's northern region Authority said last month's Day
said a small poll indicated that of Action involved 14,000 health workers in one-third of the companies took some form of action from stopping work one hour early to sending delegates on marches and collecting funds. But there was no significant disruption, it added.

The Confederation of Shipbuilding and Engineering Unions bad recommended its members to stop work for one

There were demonstrations in Darlington, Stockton, Carlisle and Newcastle, where an estimated 1,500 to 2,000 protesters

turned up.
Almost all transport services operated normally. The regional office of the Transport and General Workers' Union had

branches to take supportive action but said transport services had been exempted by the TUC. Some bus services were took part compared with other disrupted in Middlesborough however.

> workers on strike in the region. One official said he estimated the number of strikers yesterday at about 8,000. Ambulancemen at 18 stations

along the Tyne did not provide any emergency corer. Ashington Hospital in the Northumber land area was severely hit by a strike of more than 200 staff.

Health officials said there was a significant industrial action in Newcastle and Sunderland, North Tees was "heavily hit" and that there was a 24-hour strike by ancillary staffs in West Cumbria.

Some union officials again complained that there had not this regional day of action.

#### Seamen could black car imports FINANCIAL TIMES REPORTER THE Transport and General tatives from Vanxhall car fac- the dock workers."

Workers' Union is to seek the support of the National Union Boad Transport Federation in its campaign to black imports FIFTY supply boat crewmen began a sit in yesterday in Aberdeen aboard Enterprise, of the Vauxhall "S" car from UK, not to handle shipments

The idea of seeking support Mr Grenville Hawhey, the from the NUS and the Road TGWU's motor industry repre-Transport Federation was discussed last week when Mr Alex shall he asking for assistance Kitson, deputy general secretary from other unions. But first we

tories in Britain. The TGWU is also believed Spain, as well as those in the

of the car.
Mr Grenville Hawhey, the of the TGWU, who is heading shall be concentrating on our the NUS last toow similar the committee organising the own drivers who deliver the blacking, met union represenvehicles in the UK as well as goods from Chile for a week.

would consider any of Seamen and the International to be considering appealing for request for our members not Road Transport Federation in support from dock workers in to handle the "S" car sympathetically. At the moment we have not yet heen approached by the TGWU."

The union pointed ont, how-ever, that the car, which is due to arrive in Britain next March. may he shipped in vesse which do not fiy British fiags.

# s your seven-year-old better equipped to run an office than you are?

#### APPOINTMENTS

4

## Motorola chairman

Mr Rod Turvey, managing rows); Mr Chris Wilson director of Codex UK, one of Regis); and Mr Jeremy van sectors within Motorola in Britaio, has been appointed chairman of MOTOROLA LIMITED. He succeeds Mr Mike Phillips, who bas moved to a new position with Motorola in

Mr Barry Walte has been appointed managing director of Motorola'a semiconductor pro-ducts sector, and assumes overall responsibility for the operation of the MOS facility at East Kil-hride. He was with Texas Instruments as manager of their bi-polar logic sector in the U.S.

Mr Keith S. Bales bas been promoted to managing director, character merchandising division of WALT DISNEY PRODUC-TIONS. This includes the company's music publishing and record business, general licensing, publishing, character merchandising and direct mail

Reed Publishing has formed a holding company for its recently acquired provincial interests: Berrows newspaper Newspaper Group, Essex County Newspapers and St. Regis Newspaper Group.
The company will be known as
REED REGIONAL PUBLISH-ING, and its directors will be: Sir Keith Skinner (chairman); Mr James Cook (finance); Mr Mike Ellis (Essex Cnunty News-papers); Mr Phil Harris (Ber-

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Regis); and Mr Jeremy van den Areod (personnel).

ARAB LATIN AMERICAN BANK (Arlabank) bas recruited two more executives. Mr John Elliott, previously with Rudolph Wolff Financial Services and at one time managing director of M. W. Marsball and Co. and subsequently a director of Charles Fulton, will join the London representative office from Nov-ember 1 as assistant to Mr G. J. MacGillivray, senior representative. Mr Philip Hewitt Brown, previously with the financial publication "Agef" and at one time manager (investment) in Orion Bank, will join Arlabank's head office in Lima to work in the business development and loan syndication sphere.

The following 16 members of the institute were elected to BIM council at the meeting: Dr D. V. Atterton (chairman, Foseco Minsep); Sir Anstin Bide (chair-man, Glaxo Holdings); Mr C. A.

Mr Lawrence Tindale, deputy chairman of Finance for In-dustry, has succeeded Sir Trevor Holdsworth as chairman of the BRITISH INSTITUTE OF MAN-AGEMENT following the annual general meeting vesterday. Sir Trevor, who is chairman of GKN, has been appointed a vice-president of the institute. Mr Tin-dale, who was previously a BIM vice-chairman and chairman of BIM's finance committee, will hold the appointment for two

C. Bulpitt (former executive director, Thomas Tilling); Mr J. M. Edwards (provost, City of London Polytechnic); Mr John Finnigan (John Finnigan Inter-national); Mr T. S. Garnier (managing director. Kalamazoo); Mr R. B. Horton (managing director, BP Chemicals International): Mr F. J. G. Kenaghan (director, manufacturing and distribution, Carrers Roth-mans); Mr E. A. K. Lester (Keith Lester); Mr S. Mason (head of research and information, cor-porate finance division, Midland Bank); Mr E. D. Nichelsen (managing director, Addis); Mr G. C.
Ollerhead (director of planning
and analysis, Tarmae Construction Holdings); Mr P. F. C. tion Holdings); Mr P. F. C.
Roden (director, Roden Driscoli
Associates); Mr J. M. Sinelair
(administrator, Pilkington
Brothers); Mr N. Turner (chairman, Edward Turner and Associates); Professor J. F. Woodward (head of department of civil engineering, Paisley College of Technology). The new members, who were elected after a postal hallot, will serve a faireeyear term of office. postal hallot, will serve a Elice-year term of office.

Mr Geoffrey Higham, executive chairman of Cape Industries, has succeeded Mr C. A. C. Buipitt as chairman of the board of directors of the BRITISH INSTI-TUTE OF MANAGEMENT FOUNDATION.

You'd have to be a hermit not to have noticed the hundreds of computer advertisements recently. Every Sunday the supplements are bursting with them.

The Information Technology Revolution is upon us. Probably the most exciting and significant change in our way of life since the invention of the wheel

Yet confronted with a simple computer most adults wouldn't know how to handle it.

But your children would.

For them, computers are rapidly becoming as familiar in the classroom as desks and blackboards. At home too, more and more kids are using computers as a natural, everyday part of

So they already have more sophisticated and efficient technology at their fingertips than you'll find in 90% of the offices in Britain.

Makes you think, doesn't it?

A desk-top computer, for example, can not only provide instantaneous information or calculation, but also an inter-office communications system that makes the telephone look like jungle drums.

In factories too, IT is going to revolutionise the businesses that use it. And bury the ones that don't.

Has the revolution started without you? It's happening now. It's a fact of life.

And it's yours for the asking. Only don't forget to ask.

Right now you're probably wondering what you have to do to get your share. Orhow you can apply it to your life. Or what

it is even. That's what this advertisement is all about. The Information Technology 82 campaign is aimed at bringing this incredible new way of life home to you.

Think of it.

Mind-boggling quantities of information, stored by micro-processors, available in a split second at the touch of a button.

And it's getting cheaper by the minute. Now you can buy a home computer for under £50 that plugs into a portable TV It can do

complicated tasks which as recently as 1962 would have required a computer the size of the Albert Hall.

That's IT in action.

It's the one thing that gives Britain a once-in-a-century chance to leap into the future in what is already the world's most important industry.

But although Britain helped pioneer computers and all kinds of IT skills, more than 50% of our businesses and industries make no use of it at all. Come what may they're going to have to. And soon.

#### Is the technology in your local more advanced than in your factory?

In the saloon bar of your local, you're probably closer to the latest technology than anyone in the multi-million pound factory down the road.

Or in any of the local businesses. Space Invaders.

They came about the same way as the American space programme produced superglue. An interesting but rather minor by-product. It's fun. And it's familiar to most of us. But the

process that makes them work was undreamt of ten years ago. Don't get the idea though, that it's only for big business. Theatres use IT for bookings.

Musicians to create sounds. Farmers, publicans, builders are all starting to wonder how they ever did without it.

An elderly lady who runs a sweetshop also has a thriving computer business because of it. So maybe now is as good a time as any to

take a look at what IT has to offer. Because one thing is certain about IT; if we don't learn its lessons now for ourselves,

we'll end up having to pay someone else to

teach us.



You may never catch up with your sevenyear-old, but at least you'll begin to understand what the little egg-head is talking about.

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# Project highlights scale of North Sea investment

By RAY DAFTER **Energy Editor** 

TODAY'S INAUGURATION, by Prince Charles, of Shell/Esso's gas separation plant at St Fergus, Aberdeenshire, highlights once again the scale of investment and engineering challenge of North Sea oil and gas development.

The plant is at the hub of the Far North Liquids and Associated Gas Systems (FLAGS), a pipeline network costing over £1bn. The pipelines themselves are an integral part of the North Sea venture which, in term of 1981 pounds, has so far cost well over

Last year alone, offshore operators spent £2.8bn on exploration and develop-ment—about 20 per cent of total UK industrial investment.

But the inauguration also provides a convenient reminder of the economic risks, the frustrations, and the public wrangling over economic policies that nowadays seem to accompany so many major developments in and around the

British Gas Corporation, the recipient of natural gas handled at St Fergus, has pointed out on many occasions that, originally, in the mid-1970s, it was expected that gas would be flowing in 1979/80. Certainly the Corporation could have made good use of the extra gas last winter, when cold weather prompted the record for the level of demand to be broken on six separate occasions.

In the event, British Gas had to draw down stocks, make emergency supplies of substitute natural gas, import an unscheduled shipment of Algerian liquefied natural gas, and suspend deliveries to industrialists who had signed interruptible contracts.

The St Fergus plant, costing almost £250m, and the FLAGS network as a whole, was finally brought on stream at the end of May. It immediately made a hig difference to the Gas Corporation's supply pattern.

Bandling gas from eight northerly fields, FLAGS is due to deliver up to an average of 600m cubic feet a day of dry gas (methane)-some 12 per cent of the Gas Corporation's current average demand—although the present through-put is nearer 350m cfd.

But FLAGS also handles a very large quantity of natural gas liquids, up to 60,000 harrels a day of ethane, propane, butane and natural gasoline which can be used as chemical feedstocks, as specialist premium fuels or as an ingredient in petrol. And it was the problems associated with the handling of these liquids which led to commissioning delays. Originally, Shell and Esso had chosen Peterhead, close to St Fergus, as the site for separating the liquids. Planning applications were submitted to Grampian Region and the whole process of a public

inquiry was set in motion. But halfway through the inquiry, in June 1976, Shell discovered its plan to use Peterhead harbour as the shipping terminal for the products involved unacceptable hazards. Model tests showed it was impossible to modify the harbour to allow tankers and gas carriers to remain berthed in all weather conditions.

The public inquiry was abandoned and the search was intensified for an alternative site. St Fergus facilities had to be redesigned.

Finally, Mossmorran, near Cowdenbeath in Fife, was chosen as the site for the fractionation plant. But it was not until the summer of 1979, after the proposed commissioning date for FLAGS, that planning permission was received both for a fractionation plant and an ethane-based ethylene cracker at Moss-

While these plants are being completed, liquids from the FLAGS network are being delivered to Peterhead power station at Boddam.

In sharp contrast to some other coastal developments, St Fergus has benefited from good industrial relations. The much as £20m a year in costs as a result of the undisclosed pricing and tax arrangement. It is an advantage which has upset some of its major competitors, in particular BP Chemicals.

In part, the controversy stems from the way that the FLAGS—St Fergus— Mossmorran facilities are being treated -quite reasonably—as an integrated system. It could provide a blue-print for future gas collection systems now that tha Government has abandoned its plans for a £2.7bn gas gathering networks on the lines of the trunk pipeline system being backed by the Norwegian Government in its part of the North Sea.

FLAGS is centred on Shell/Esso's Brent Field, one of the biggest dis-coveries in the North Sea with the highest ratio of gas to oil of any UK field now on stream.

For each harrel of oil produced—and output has been running at around 300,000 barrels a day (15 per cent of UK output)—there is nearly 2,000 cubic feet of gas. This gas became a nuisance to Shell and Esso when delays to onshere facilities forced the companies to flare the produced fuel into the atmosphere.

In 1979, the companies were flaring about 350m cubic feet a day, considerably more than the daily gas requirement

The opening of the Shell/Esso gas separation plant at St. Fergus, Aberdeenshire, marks a major step forward in the development of Britain's gas reserves.

2,000 construction, administrative and service personnel involved in the project at the peak cannot be blamed for the According to Shell industrial relations have been among the best in the UK with a little over one per cent

But controversy surrounding the liquids stream continues. A row has developed among major European chemical companies over the price at which Shell and Esso plan to sell their ethane to their 500,000 tonnes a year petrochemicals plant at Mossmorran. The plant is being built by Esso Chemical, although it is being jointly financed by Shell and Esso.

Last year, Esso threatened to pull out of the £500m project before persuading the Government to accept a special transfer pricing formula for tax purposes.

Some industry experts believe Shell and Esso could be saving themselves as

As a result, the Government instituted a temporary flaring restriction, a move which also reduced oil production from

Other neighbouring fields linked to FLAGS and St Fergus are Shell/Esso's North Cormorant and South Cormorant fields, Chevron's Ninian discovery and Amoco's North-West Hatton find.

Earlier this year, agreement was reached among various operating consortia to link three further fields to the system: BP's Magnus, Britoll's Thistle and Conoco's Murchison. This northern leg link to FLAGS is due to be operational next year.

There can be little doubting that British Gas Corporation is keen to buy every whiff of gas that can be collected in this way. Evidence comes from the way that Corporation buyers have been hidding for new supplies from the UK and Norwegian sectors of the North Sea, offering prices in some cases over twice

the 10.6p a therm average paid for deliveries in the 1981-82 financial year.

It is understood that Elf and Total have agreed to supply gas from their North Alwyn Field at 22p to 23p a therm. for instance.

The reason is plain. British Gas expects its average sales to rise from the present level of 5bn cubic feet a day to between 5.5bn and 6bn cfd by the second half of the 1980s. And yet supplies from mature fields, especially those in the southern sector of the North Sea, are dwindling.

The Corporation reckons that, to meet demand, it will need about 1.93bn cfd of new supplies in 1990 and 3.87bm cfd

According to a study, published last week by stock brokers Wood, Mackenzie British Gas could find itself running short at seasonal periods of peak demand by the winter of 1986 or 1987.

But there is still plenty of gas to be exploited in the North Sea, both in Norway where the Corporation is about to bid for supplies from the Sleipner Field -and in the UK.

Energy Department estimates indicate there may be up to 64 trillion (million, million) cubic feet of gas still to be recovered from the UK Continental Shelf, more than four times the amount of gas produced so far.

It is likely that a good deal of this gas will be transported to St Fergus for treatment and onward transmission for this windswept stretch of Aberdeenshire coast has emerged as one of Western Europe's most important gas terminals.

Next door to the Shell/Esso facilities is the longer-established Total Oil Marine complex handling the Total/Elf supplies complex handing me 16tal/hir simplies carried through the dual-line Frieg Field system, plpelines delivering about 1.7hn cubic feet a day. And alongside both of these sites is the British Gas complex. where gas can be compressed, checked and have its peculiar smell added before onward transmission.

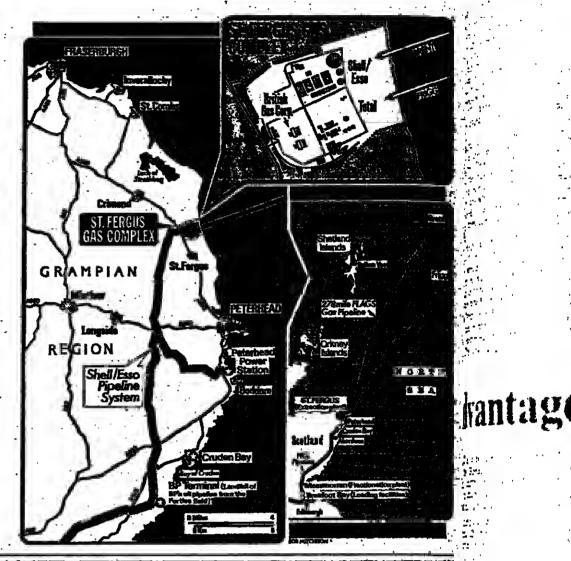
It is questionable whether another full-scale gas terminal would be built at St Fergus. British Gas is wary about such a prospect not only because of the need to geographically balance supplies but also because of the security risk of putting so many eggs in one basket.

On the other hand, it is quite likely—almost inevitable—that offshore operators will use the existing Total and Shell/ Esso facilities to top up spare expacity when deliveries from existing fields begin to decline. This is already happening in the case of the Frigg facilities which are destined to handle North

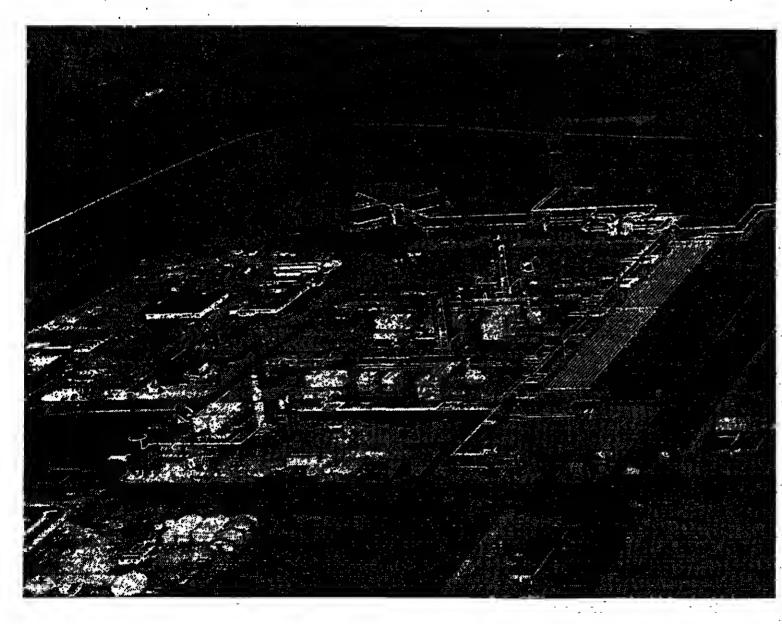
And Shell has confirmed that it is also seriously considering using St Fergus to handle gas carried through a possible new pipeline from its Fulmar Field. If this scheme goes ahead, extra gas bandling facilities will be needed at St Fergus although nothing like on the scale of those being inaugurated today.



The gas in the Brent field is a vast accumulation of potential wealth for Britain. When the four Brent platforms are fully operational, the natural gas produced will represent nearly 15% of total UK demand.



# LEADEKO IN GAO PKUGEODING



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West's Small Pi extensively and foundations of it ats: ser

# Strategy for harnessing a huge flow of gas

By MARK MEREDITH, SCOTTISH CORRESPONDENT

gas separation plant at St sures 5,000 lbs to a square Fergus has nearly put the inch-enough to shear the harness on the huge flow of gas crankshafts of pumps reinject-from the North Sea's higgest ing it down the well:

REPORT

The gas is also wet conThere might be 1.685m taining natural gas liquids
harrels of oil under the sea bed which needed to be separated
in the Brenf field, 115 miles out before anything could be
northeast of the Shetlands But done with the gas.
possibly 3.5 trillion (million place) and Associated Gas System was
gas and 530m barrels of natural set up to deal with these big
eas liquids—ethans, propage, mailleng. gas liquids ethane, propane, problems, butane and natural gasoline — Its plan

the gas and this presented the when complete, which would two big oil commanies, which handle as much as 960m cubic jointly operate offshore in UK feet of raw gas from 12 platwaters, with the task of build-ing the most complex and A strategy had to be developed of and an average of 35,000 barrels of far enough downstream so that it and its associated limits. that it and its associated liquids could be marketed.

There was far too much gas to store — enough, initially, to supply between 8 and 12 per cent of UK demand. Such quantities could also not be

Oil expands as It leaves the pressures of the substrata and gives off gas. The amount and nature of the gas varies from field to field. Some oil produces just a little gas which can often be rainjected into the well to keep the pressure on the oil

Other fields, such as Frigg, produce a "dry" gas, straight methane which is the main constituent of natural gas and which can be handled relatively easily once plped to land. In the Breat Field the gas is

Sea, was no easy matter.

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 $\mathcal{M}(\mathbb{S}^{n})$ 

St Fergus 138 miles south to

Mossmorran in Fife is not so UK.

But taking a pipeline on from NGLs-natural, gas liquids-in

easy, either. It has placed Shell At St Fergus, 80 per cent of as the operator for the Shell the gas from offsbore is

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ANOTHER MILESTONE

TURNING ON the Shell-Esso well-head under immense press separated into ethane, propane cas separation plant at St sures 6,000 lbs to a square butane and natural gasoline to

The gas is also "wet" con-

ntane and natural gasoline— Its plan involved a complex-re there, too. of pipelines and processing. To tap the oil meant handling plant costing more than film. forms in eight oil fields. In its opening phase, however,

Further stage

Next year will see the commissioning of a further stage when a pipeline carrying the gas liquids to a separation plant at Mossmorran in Fife is complete. Here is how the finished pro-

While oil is piped to the Sallom Voe oil terminal in the Shetlands, the gas and natural gas liquids from Brent are pumped ashore to St Fergus. There, at the gas separation plant inaugurated today, the methane, which amounts to about 80 per cent of the gas, is extracted and sold over the fence to the adjacent British Gas Corporation terminal to be fed into the national gas pipeline grid.

opious and contained a cock- liquids, known as NGLs (natural tail of associated natural gas gas liquids) is to be piped down

any significant amounts in the

.. It will he the first carrying NGLs to be piped south.

be shipped to markets.

completed a temporary use has had to be found for the natural gas liquids, which could also provide a refuge in future to help cushion any fluctuation in the operations of the system.

Cruden Bay

This involved removing at St Fergus the beaviest of the NGIs, natural gasoline which is used to make petrol, and piping it along with a trace of the next heavier gas, butane, to the BP ferminal at Cruden Bay a few miles away south of Peter-

There, RP will inject the liquid gases into its pipeline carrying oil from the Forties field which carries on overland to the Grangemouth refinery between Edinburgh and Glas-

The remaining NGLs, the ethane, propane and most of the butane will, as part of this temporary measure, be piped down another short spur pipeline to Boddam to fire the new Peterhead power station.

The power station, designed to be oil fixed, has been con-verted to take NGLs as well. amounts of gas coming up with oil could not develop without the provision of pumping and disposing of the gas onshore. They would not be allowed to One of the two 660-MW turbines is already running on the liquids.

Shell UK Exploration and Production as the operator of the Flags project, has also made provision for further separation facilities until Esso chemicals has constructed its ethane cracker next to Mossmorran. The St Fergus plant, once Moss-The remaining cocktail of gas morran is on stream, will take out the ethane and send it down to Peterhead until the cracket

in gas use from 2,500m cu ft a day even could be used when even cooking will be used sparingly, to 8,680m in the depths of a savage winter when central heating and gas fires are taxed to the full. Advantages of land pipeline from the Brent field to St sharp end of pipeline tech-Fergus, north of Aberdeen, nology and safety. Gas at St Fergus, What is left across an angry patch of North This land pipeline is different. over, the 20 per cent, are the

Natural gas liquids are ethane

oline. Unlike methane which

propane, butane and natural

is lighter than air and disperses upwards if there is a leak, these

gases do not dissipate as easily.

gasoline in particular are beavier than air and tend te

stay in hollows of ground un-less dispersed by wind. They pose a danger and any spark

could cause ignition and create

Elaborate safety : measures

have been carried out to pro-

tect and momitor the pipeline.

The consortium points out that a pipeline is safer than road transport. To transport as much as 15,000 tonnes of

road on this route would take 500 tankers each carrying 30 tomes, making the round trip

The first phase of the pipeline has been built from St Fergus

down to the outskirts of Aber-deen. The second phase, down to Mossmorran, is about to go

extra foot deep fer additional

Possibly three computerised

monitoring systems will watch fer possible leaks. A final system has yet to be agreed. Every 7.5 miles along the line valves are being installed which can be operated remetely from St Ferms or manually.

At the valve stations an acous-

tic pressure wave system-may be installed. This will mea-

sure the soundwaves given by a leak and the difference in the time the sound wave takes to

reach monitoring points either side of the leak will help pin-point the problem for work-

Another "mass balance"

system uses metering stations to check any imbalance in in-

flow and outflow of gas. A third possibility or combination which may be used is a "rate of

change in pressure" system to

set off an alarm should a leak

cause a drop in the pipeline

Shell as the operator make it

The information about

clear that only accidental dig-ging is likely to cause any

troubla with the pipeline is relayed to the control room at St.

Fergus within seconds. A pic-ture of the problem is built up quickly for action.

The system is designed so

to St Fergus and back.

tender.

Security

fireball.

Propage, butane and natural

British Gas can only cope with the vast swings in demand by storing gas. It pushes some underground, down salt cavities Gas at St Fergus. What is left over, the 20 per cent, are the at Hornsea, in Linconshire, by filling up some spare pipeline capacity under pressure, or by freezing the gas into a liquid liquid natural gas—and storing it in tanks, dotted about the country. Gas can easily be pushed back into the grid to meet demand.

of the Grampian region which

Total has been there since

the late 'seventies, providing gas from the Frigg Field—enough to meet nearly the entire requirement of Britain on a day of low demand, dur-

New Shell has moved in

beside Total to provide gas from the Brent Field. Although

not in as significent quantities

at first, the quantities are still enough to meet between an estimated 8 and 12 per cent

More gas may arrive in future with the terminal acting

as an imput point for gas forme

in the search for offshore oil

associated gas, as it is called.

Some oil fields with large

Four hig pipelines three of

them 36 in across and one 42 in across—head south to the main

regions of demand from cookers

and boilers and industry. Half

the total users are in a region between Birmingham and

British Gas has to be able to

meet not only the scope of the demand but the wast variations

leans out anto the North Sea. Here, the British Gas Corporation has its giant receiving station, taking gas provided by the oil companies operating in

the North Sea.

of UK demand.

Other methods will be to operate the Morecombe gas field. in the Irish Sea, only in winter and, as the rough field off Hull is developed, the corporation plans to re-inject gas (which is down the well where it came from to await demand.

Flexibility

An important element in this flexibility is the capability to turn off or store the gas the corporation does not need.

But it does not have this flexibility werking with offshore gas which comes up with eilthe associated gas.

To turn off the gas tap from one of these suppliers would have a greatly disruptive effect right back along the line to the oil platform, possibly requiring the whole production sys-

tem to shut dewn.
Shell and Esso's gas, pumped over the fence to British Gas at St Fergus, is linked with the pumping of natural gas liquids On its way the pipeline will cross seven major rivers, two motorways; 40 ordinary roads and 14 railway lines—six of them disused. The 20 inch pipeline, less than half the size now to Peterhead Power Station and sending natural gasoline down anoher pipeline to Cruden Bay to link in with British Petroused by British gas to transport natural gas, is te be buried an

leum's pipeliee te Grangemouth from the Forties Field. Eventually, all the natural gas liquids will go dewn a pipe-line to a gas separation plant

at Messmorrau in Fife.
Shell which is the operator at
St Fergus, cannot store the gas at its terminal there and it could only send unwanted gas up the flarestack to be burned off.

The St Ferrus site shows the varying attitudes of industry about the exposure of its indus-

trial plumbing.
Shell Esso's terminal is disciplined tangle of pipes and towers whereas British Gas (with a modesty instilled in the days when its product was con-sidered something smelly and not nice), has planted most of its piping underground.

British Gas at St Fergus moniters its suppliers' gas ou the way through, Shell Esso's gas is already under the same pressure—1,000 lbs per square inch—as that used by the

corporation.

The gas is given a quality check and then an odorant is sprayed into it (to alert the nation's nostrils in event of possible leaks), before it goes into a blender, mixing it with other incoming gas, and on into

the pipeline.
Total's gas is "dry"—it does not have associate natural gas-liquids, such as Shell Essa. But it is given to the corporation with insufficient pressure feed directly into the grid. Hence, a that it could be shut down automatically. Closing down the pipeline in case of a false alarm would send huge amounts of On the way through, all

pressors at the terminal to push more gas into the pipelines. On the way through, all incoming gas is measured with such yardsticks as the wobbe index which combines specific gravity and calorific value of the

# Hub of a 435-mile pipeline network ST FERGUS is a principal landfall for offshore gas, located just off the shoulder

St Fergus is the landfall of the 278-mile subsea pipeline that will bring gas ashore from Brent and other fields in the western Leg Gas Gathering System. It is also the starting point for four land pipelines with a tetal length between them of ever 157 miles.

THE NAMES BEHIND THE FLAMES

# Glossary of terms

ONCE OUT of the ground, eil is refined into its heavier and lighter products ranging from thick bitumen up to naphtha. an important industrial feed stock. Gas is also put through a separation process to divide out heavy to light gases each with its special use. Here are some of the names and initials behind the flames:

fethane: Known as C1 and the lightest of the gases. The main constituent of natural gas we use to cook and beat homes. It burns cleanly with no poliution and has a high calerific value—more beat for its weight and volume. Lighter than air, it is safer to use than ether gases as leak-ages dissipate into the air.

Ethane: C2 and the next heavier gas; used to produce ethylene which, in turn, is a feed stock for a large range of products such as plastics, paints, detergents and manmade fibres.

ropane: C3 to the trade and useful for houses and outlying small industries not supplied with natural gas. Bottled under pressure in large cylinders which can be left outdoors because of their

low freezing point. Butane: C4 and the gas used for small gas cylinders of camping caravans and boats using trade names such as Calor Gas or Camping Gaz.

easily.

Natural gasoline: C5 is not to
be confused with natural gas pepped up with additives.

paper manufacturing.

not requiring much processing for use as natural gas. Natural gas: Actually a com-

The extchall fer bottled pro-pane and butane liquefied under pressure. Used industrially in brickmaking, aluminium smelting and

Like propane, hutane is beavier than air and leakages do not dissipate as

or petrol. It is widely used in the manufacture of petrol for cars but needs to be LNG: Liquid Natural Gas;

Methane frozen inte liquid and only used on a large scale by British Gas as a form of storage for natural gas to use in times of peak demand.

NGL: Not the one above, but
rather the "cocktail of gases" the Natural Gas Liquids which are left over after

methane has been extracted; the ethane, propane, butane and natural gasoline, mentioned above LPG: Liquid Petroleum Gas;

Wet gas: Methane with some condensate or natural gas liquids present. Dry gas: Nearly pure methane,

bination of gases. Mere than 80 per cent methane but with a trace of ethane as well, to boost calorific value.

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gas up the emergency flare stack, so the operators feel that the final decision eu a close down must rest with the con-

# Bleak prospects loom for West Germany's graduate scientists

BY ELGIN SCHROEDER

TWO YEARS ago Siemens was having difficulty finding enough graduate engineers. Now West Germany's electrical and electronics giant has virtually abandoned job advertising, and is swamped with spplications from would-be recruits. Many of them have to be turned away.

The days when personnel managers from Siemens and the country's other major industrial companies hung around technical university campuses, waiting to sign on new graduates, have suddenly disappeared.

It is no longer only the classical problem cases like social workers and scientists who proving bard to place but also scientists and engineers. There are already 15,000 jobless graduate engineers, physicists, geologists and mineralogists, and the situation is getting progressively bleaker: of the 1,000 chemists who graduated last year, one in five was still jobless by the end of it. One in 10 of the newly qualified physicists was in a similar negition

The Federal labour office. which in 1981 set up a special centre in Frankfurt for graduates, now has roughly 76,000 jobless ones on its books -nearly 50 per cent more than in its early months of operation a year ago. As this number continues to rise, the number of vacancies suitable for them steadily falls — it was down to just under 19,000 at the last

computer programming, for ex- their ample—exist only for the 25,000 expendable, while middle manjobless teachers and bumanities agement and particularly top graduates. For the rest, the managers are still in demand.



Of course it's terrible—we were only taught to use theodolites

plosion in funding by the Ger-

man provinces. Professor George Turner, President of the

Standing Conference of Ednca-

tion Ministers, reckons that in

future as many as a third of all

high school leavers could go on to university if current educa-

tion policy remains unchanged.

ing one of the most controver-

sial issues of the nascent federal

election campaign. If there is no

change in government policy, the annual number of new gra-

duates could reach a climax of

190,000 in 1992, nearly double this year's 100,000. Not before

the mid-1990s, when the low

birthrate years graduate, would

the number of new academics

start to diminish.

This question is already prov-

The labour office blames the unemployment situation on the combined effects of prolonged econnmic downturn and the squeeze on public sector budgets, together with the increasing number of university leavers. It says that employers, in both industry and public administration. are showing "extreme restraint" in filling vacant positions. As a rule only absointely necessary replacements are being hired.

It is especially junior management-often young univer-Yet retraining schemes-in sity graduates at the start of careers—who

to 25 per cent thanks to an exand future patterns of graduate German top executive search considers that consultancy, many companies are searching "saviours" to lead them out of their acute difficulties in

#### Veritable glut

Politicians and economists bave lately become more vocal in their warnings that graduates arriving on the job market in the 1980s will encounter growing difficulties, but despite all the discussion, there is little that educational and employment policy makers can do, in view of the veritable glut of graduates.

In the mid-1950s only about 3 per cent of the relevant agelabour office is helpiessly com. Dr Helmut Neumann Manage- group attended university, but Industry's own research instimissioning studies on the past ment Beratung, a leading this proportion bas now gone up tute in Cologne, the German Industry as a whole. It bases

future demand for graduates and analysed what qualifications they ought to have to fulfil industry's requirements. It has also made proposals for curricula to be made more practiceorientated. Based on the assumption that economic growth rates will be low and industry's recruiting

Economic Institute, has now

tried to project companies'

principles remain unchanged the institute comes to the conclusion that the job deficit for graduates will worsen in the 1980s. Companies requirement for them will hardly increase at all in the forseeable future, it establishes in two recent studies.

One reason why industry's overall replacement need will be small, says Georg von Landsberg, one of the anthors of the studies, is the low average age of existing university-trained executives — 39 years. The nther, he adds, is, of course, the likely unfavourable development of the econo-

mic climate. Not aurprisingly, he predicts that engineers and economists will be most in demand. At 36 per cent and 35 per cent respec-tively, these professions already make up the bulk of graduates

in industry.

Mathematicians and scientists who together now contribute 11 per cent of the industrially cent of the total - employed employed university graduates -will also be needed, albeit in much smaller numbers. So will lawyers (9 per cent).

"But anyone who studies sociology, political sciences, let alone psychology, can bardly bope for a job with a company, says von Landsberg.

One of the studies focuses on

#### **BOARDROOM BALLADS**

#### TWENTY-ONE TODAY!

Acknowledgment to A. E. Housman

When I was one and twenty, And starting on my way; And hopes were high, and plenty Of promise in the day; The manager would tell us
The future's with the young.
Sn come along, you fellers,
And climb another rung!

To gain a reputation. And mix-it with the rest, With prospects of a station Up there among the best; Work was a beginning, Focing to the sun, With everything for winning

When I was twenty-one! Now, my one lament is That things are not to be. For current ones and twenties,

The way they were for me; I wonder how I'd face it,

To sense I didn't matter, And be a crude statistic In the unemployment data.

For to take the young from school On to the dole, is, as I see it, To make lamentable fools Of the people who decree it! And will we be the nation. Which beirayed a general To the dole queue and the sack?

Beggars can't be choosers Is the counsel of despair, The philosophy of losers Too insensitive to care; Time the young were getting Their places in the sun From those who are forgetting When they were treenty-one!

Next week: Wall Street bubble

in small and medium-sized companies, which hold a pivotal

position in the German economy: in 1970, when the

latest census was taken, they

employed 62 per cent of the working population and accounted for 1.89m of the total

of 1.9m registered German

stand" sector, a graduate is still something of a novelty,

says von Landsberg, especially

one with a science training

the so-called "Mittel-

its findings on answers from 200 enterprises with an average workforce of 8,700, which employ a total of 91,000 university

The study determines that graduates' employment in in-dustry depends on their field of specialisation, on the sector of industry and nnt least on the size of company. Trading companies, banks and insurance concerns, which accounted for 20 per cent of the firms questioned, employed no engineers. Just as naturally, steel, engineering, electricals and computer companies - another 20 per a great many engineers and accounted for 80 per cent of their university-trained staff.

Large companies, the prime employers of graduates, told the institute that their choice of bighly qualified personnel is influenced by the ability of applicants "to think in terms of problem solving." Other criteria are: is the candidate dynamic, will he develop initiative, has he practical professional experience? The possession of a doctorate ranked very low indeed in the priorities of the prospective employers.

It is the big companies which will chiefly be in the market for replacements in the immediate years to come, according to the study, since their senior executives tend to be somewhat older than the average for German industry as a whole. But they are not

"As a rule be is relatively young with a lot of his working will be little need for replace-

position

companies.

Motivating that small and medium-sized enterprises will recruit additional numbers of graduates in the next few years, but that the total numbers will be small: only a total of just over 10,000 between now and 1995.

The anthors of the study mestioned 224 manufacturing firms in chemicals, engineering, construction, textiles, clothing and leather, with labour forces of between 50 and 499. Between now and the mid-

lished medium-sized companies The institute called the tradi-will need roughly 8,000 gradutiumal lectures and seminars ares with compercial training, "a one-way street" in the and unity slightly more than transmission of knowledge. It 2,000 new graduates with all-recommended small-group-work expected to increase their net round or technical training. The and role playing as better pre

demand, the authors believe. In that period only 2,700 new university graduates can ex-pect to find work in smaller businesses, though the subsquent five years should bring an improvement with a demand for 4,500 graduates.

All executives employed by smaller firms were specialised at least in one field, but had to show command of many others show command of many others as well. Their solity to plan ranked very high. "It is of growing importance," the com-panies stressed, "that our executives are capable of motivating and leading their staffs and that they are, at the same time, able to work in a

Cologne institute in make pro-posals for the reform of university studies. It suggests that graduates-to-be should begin their courses at university by acquiring an all-round education. "Then," the institute went nn. "they ought to do practical professional work." In a third phase, it added the students should return to university to receive specialised training.

The introduction into curricula of "communication" as a subject to be taught by new 1990s, the researchers estab methods was strongly advised. years between 1986 and 1990 paration for professional life.

The picture is very different will be marked by the slackest later.

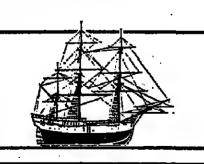
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BUSINESS PROBLEMS

and every ahareholder is entitled under Section 158 of the Companies Act 1948, to receive both a notice of the

annual general meeting and a copy of the annual accounts to be presented thereat? I think your reply of July 14 headed "Private company" in Business Problems must have disappointed many readers who cannot get to the annual general meeting and for whom the alternative is to

apply to a company agent who will inspect and supply photostat copies of annual accounts at a charge of around £10 per enquiry. Your reply serves to encourage private companies who have claimed the privileges of limited liability to evade their legal responsibilities.

It is correct that share-holders (members) are entitled to receive a copy of the accounts which are to be presented at the annual general meeting. In respect of past years, however, it would be necessary to make a search at the Companies Registry. As a search at the Companies Regis-try can be effected by postal means it is not necessary, although it may be convenient, to use company agents.

#### Transfer of shares

I am not satisfied with the performance achieved by the investment management com-pany (a subsidiary of a lead-ing banking group) to whom I entrusted a lump sum. I may therefore decide to terminate them to hand over to me the existing share/stock certifi-cates so that I may manage

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Companies Act the perifolio myself. But transfer of the shares, etc., into discretionary basis, these are registered in the name of a nominee company. May I have your advice relative to. my CGT position arising from the theoretical profits/losses on the transfers to my name

which such a decision would necessitate? Indeed, bearing in mind that, from the taxman's point of view, there is no distinction between the nominee company and myself, dn I even have to report these

transfers? You have nothing to worry about—and as you suggest, you do not even bave to report the is covered by section 46(1) of the Capital Galus Tax Act 1979: "In relation to assets held by a person as nominee for another person . . . this Act shall apply as if the property were vested

BY OUR LEGAL STAFF

in, and the acts of the nominee in relation to the assets were the acts of the person for whom he is the nominee . (acquisitions from or disposals to him by that person ... being disregarded accordingly).

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

MEATRES





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# حكذا مندلأصل

#### Television/Chris Dunkley

# Where British really is best

Ten years ago I went to Broomfield and Joan Churchill, Venice for my first Prix Italia, for America's Corporation for the oldest and most respected of Europe's broadcasting lesti-vals. There I began to think for the first time with any conviction that perhaps Britain really did lead the world in producing high quality tele-vision programmes. Nowadays every other Continental holiday town seems to have a so-called broadcasting festival but most of them are more interested in programme sales than programme standards. They are even more interested in local

ice cream sales, but let that pass. The Italia is concerned solely with standards: seeking ont the best and encouraging its members (the broadcasting organisations of the participating countries), to transmit the

prize-winning entries.
Since that Venice occasion in 1973 I have followed the festival year by year from one end of Italy to the other, from Lecce down in the beel of the boot to Riva up on the Austrian border. This year it went back to Venice and the completing of the circle seems like a good moment to take

The Prix Italia was first arranged as an international radio event in Capri in 1948 and next year it will return to that island for the 35th session. How Capri will deal with the handreds of jurors, observers, speakers and journalists who now attend, goodness knows are the grottoes really that big? In 1957 a television award for documentary programmes was added and nowadays there is an annual Prix Italia for television music and for drama as well as documentary just as there are three main prizes for radio. Since 1957 there have been 70

Prix Italia awards for television and the winners' league table now looks like this:

Sweden France W. Germany Czechoslovakia Italy U.S. Poland Switzerland. Belgium Denmark Holland

Most of the countries that enter—from Australia to Portugal, Russia to Norway-bave never won even once and as one of this year's jury chairmon declared "With the Italia it's not taking part that matters; but winning." The table makes British achievements look impressive enough; but what is more Britain's dominance is growing stronger. During the last 10 years there have been 29 Prix Italias for television of the rest of the world put together 15. In 1978 the British swept the

board and took all three television prizes: drama, documentary and music. This year although the records will show that Britain managed only (only!) the music and drama prizes for the BBC's Cruel Garden and ITV's Cream In My Coffee the fact is that the U.S. entry Soldier Girls which won documentary award was made by two Britons, Nicholas

Public Broadcasting

It was not hard to see why the jury picked this programme from among the 22 documentary entries: it used the fashionable "fly on the wall" technique to show in graphic detail all the nastlest aspects of the basic training undertaken by female recruits in the U.S. Army. Memory suggests however that it is less subtle and less telling than Frederick Wiseman's comparable film about malo recruits in the same in the same army some years ago, and my own feeling, chauvinistic or not, is that the U.K. broadcasting organisations could have won this category

too and swept the board again if only they had picked their entries more carefully.

Is it, then, more a question of who makes jury-pleasing programmes than who makes tho best television? Does the Italia festival tell us more about the pretensions of some in-grand restival tell us more about the pretensions of some in-crowd than about the true quality of programmes? I helieve the distinction is a false one. What saves the Italia from hecoming one of those events which lavish awards on "avant garde" material which would otherwise on the property of the savents of th quite rightly remain obscure is that the juries consist exclu-sively of other programme makers. They are only too keenly aware of what attracts the viewer, and again and again over the years when I have been afraid that some worthy but boring programme would be chosen, or an entry that I considered far too long or appallingly pretentious, the juries have come np trumps: they have said, or

Too long! " or " Pretentious! ' In awarding prizes to British programmes juries have respelled it out: "The appeal of the programme to a reasonably wide endience was a point we

It is in this commination of and the three batters miss state qualities—very high standards from Sweden, Fall River Legend of technique and production from Germany and The Firebird married to reasonably wide from Denmark all of which audience appeal—that British were described here last week television seems to me so strong. From the drama entries and it is precisely that combination which appeals to Italia juries. Remembering the characteristics of the medium

there has been another reason there has been another reason for Britain's success, and that is the poor quality of so much of the opposition. If what I have been watching at these festivals for nine hours a day during two weeks in September for the last 10 years really does represent the best drams, documentary and music programmes in the and music programmes in the world—and I am atraid it probably does—then count yourself lucky if you live in Britain. There may be a lot of subbish on the box, but at least we have

a higher proportion of quality material than anyone else. Had I been buying pro-grammes for the home market from this year's festival there would be only four in each category (out of 20 dramas, 22 documentaries and 21 music programmes) which I would want in addition to the winners. In other words I would turn down three-quarters of the pro-

the virtues the attractiveness of brought together as the crème the work to a sizeable andience. de la crème of world television. Before choosing the BBC's The imagination reels at trying dramatic ballet Cruel Garden to grasp what the bulk of this year's music jury actually material around the globe which never gets selected must be like. In the music category my choices would be Brazil's film put particular stress upon." sage Severinian Deam was Ly-lt is in this combination of and the three ballets Miss Julie List in this combination of and the three ballets Miss Julie were high standards from Sweden, Fall River Legend

THE ARTS

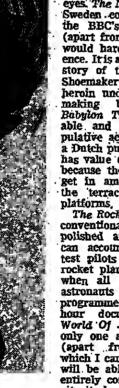
which were far too often excessively long and lugubrious I would take first the Austrian characteristics of the medium offering Beautiful Days which, we are dealing with, that, surely, is precisely as it the "special" prize which is should be.

However it has been quite impossible during the years since that first occasion in Venice to overlook the fact that there has been another that fifties, magnificently filmed. I would also want the French entry Mountebanks if the makers would agree to tighten it up from 160 minutes to about 90. Set in the days of the German occupation of France, it shows a band of rep actors recruited by a German officer to "make a film" which they slowly come to realise is even worse than a propaganda exer-

The Czech entry Counting Sheep is a heartening account of a small orphan girl with a heart disease, obliged to live in a hospital and manipulating everyone from consultant to ward orderly with consummate skill. By some magic it avoids sentimentality, and with a touch of genius it is filmed almost entirely from the girl's eye level Rivers from Japan doesn't quite avoid pretentiousness, but its account of a Japanese girl piano tuner's visit to Cremona to make a violin and "capture the spirit of sound" is so attractively made and so different from what we normally see that UK yiewers ought to be offered it.

None of my choices among the documentaries would look in the least unusual to British eyes. The Narcotics Squad from Sweden could be slotted into the BBC's Police series and (apart from the language) you would hardly know the difference. It is a neatly self-contained story of the hreaking of the Shoemaker Gang who smuggled heroin under cover of a shoe making business. Holland's Babylon Troubles is questionable and an arguably manipulative account of the life of a Dutch punk soccer fan which has value despite all its faults because the cameras really do get in among the crowds on the terraces and the Metro

The Rocket Pilots is a wholly conventional but can account of the forgotten test pilots who flew the X15 rocket plane during the years when all eyes were on the astronauts of the U.S. moon programme. And Ireland's twohour documentary on The World Of James Joyce — the only one amongst my choices (apart from the winners) which I can safely promise you will be able to see - is also entirely conventional but, despite its length, wholly engross-





Susan Fleetwood and Tony Haygarth

Way Upstream/Lyttelton

#### **Michael Coveney**

Well, it wasn't the siege of Troy. I refer, of course, to the new Alan Ayckbourn play that is set on a cabin cruiser drifting about in 6,000 gallons of water contained in fibreglass tanks. The official opening had been postponed since the middle of August and the director (Alan · Ayckbourn, again) was rumoured to he at the end of his tether with the technical luxuries.

There's a little dehate going on in minor academic circles about Ayckbourn's introduction of "dark" etements into his comedies. This is all a lot of baloney. His best plays are very funny and very dark. They are all distinguished by the playwright's perfect pitch when it comes to small talk among the suburbanites. He has an unerring ear. But it seems to me he also bas ideas above his station, I can only assume that, dissatisfied with what he does hest, he is making, in this play at least, a sly bid for a major

ton minutes before the endbut the final moments of Way Upstream constitute a sort of corny Shavian apotheosis not unlike that of Heartbreak House. Things have become steadily more desperato aboard the good ship cabin cruise ever since a chaotically funny earty scene of a bungled mooring. The boat has lurched from port to starboard, travelling through locks on its way to Armageddon Bridge, Alan Tagg'a bankside setting occasionally swaying in

compensatory motion. Technical diversions aside, the Ayckbourn lines of hattle havo been perfectly well drawn. Two couples have rented the cruiser, following the usual pattern of carrying over small business alignments into the ritual social foray. Keith, the manager, has adopted the role

The man from the Telegraph honking at passing vessels, for a Mike Leigh-style coarsewon't know this-he crept away pointing out brickworks and ness, does it very well in an coots with indiscriminate en- improvised costumo of bikini thusiasm and banging obout on and men's ties-and triggers our deck to rouse his fellow interest in Alistair by despatchtravellers. These comprise his ing a recently-arrived strlfriend wife, June, a failed showbiz starlet, and Emma and Alistair. him in the cool of the night. a couple whose misgivings about the venture are con-tioously juztaposed with misgivings, rumblings and almost acrimonious, ahout each other.

> Keith is halled from the bankside with messages from the strike-bound office borne hy Mrs Hatfield (Jane Downs). But the real action, and it seems to me the real decline, sets in with the accidental arrival of hutch Vince. James Laurenson is suitably hairy and be-denimed in the part, hut he is a totally unhelievable character.

Anyway, in Keith's absence, he starts up a party, brings out June's erstwhile cabaret turn— Susan Fleetwood, for much of of skipper with an imperfectly Susan Fleetwood, for much of rehearsed nautical vocabulary, the play unhappily stretching

(Nina Thomas) to dance with

By the final stages, both Koith (Tony Haygarth) and Alistair are marooned on shore, the skull and crossbones have been rung up and the gang plank extended. There ensues an entirely ridiculous fight.

The cast is hardworking, but not naturally gifted in the way of the polished Ayckbourn inter-preters who have made the author's reputation in the West End. There are some spectacular scenic effects, apart from the hoat, that include a seductive rainsform and a darkling pas-sage under the hridge. The lighting of William Bundy is excellent. But the evening is not really worth all the trouble.

#### Migrations/Stratford East Studio

#### **Rosalind Carne**

tioned tract on the plight of character, but no perceptivable the angle of focus of the Asian theatre. and he employs Zia, a young Pakistani migrant, to help sell his sweatshirts and mini skirts. Both men adhere to the tradition of their faith as a stamp of identity in their adopted bome. and the way in which their relationship highlights the common roots of Judeism and Islam was for me the main point of interest in this otherwise dull

Mr Alrawi was born in Alexandria and now lives in London and his play deals with the meaning of nationhood, and integration. It attempts to do so on a tiny acting space But it fails to create a world of its own, nor are there any significant Brechtian ramifications in our continual awaroness of o fidgeting audience. The writer has an eye for detail and

Karim Alrawi's well inten- a good sense of politics, and of

community by introducing an Migrations concentrates on a ageing Jewish refugee. Joseph. struggle to build an adventure the comfortable mastery he has but we never glean any conviction of the importance of the project. What might have heen a powerful dramatic metaphor is no more than a few bits of wood. The problem rests with the dialogue which, at its most fluid, recalls, the consoling cliches of The Archers. At its most beightened, it relies on crude rhetorical devices.

I found it impossible not to compare the piece with Hanif Kureishi's masterly Borderline, the crucial questions of our which treats many of the same epoch—the shift of population, themes, in particular the Asian the social import of religion, girl's battle to become European. The two plays also share actors, Rita Wolf, who plays Zia's aister, Salma, and Zia himsurrounded by wooden benches self played by Nizwar Karanj. in a Portacabin a few yards His portrayal of the nervous, from Stratford's Theatre Royal. angry frustrated youth gives further evidence of a sharply origical stage personality. Jim Dunk also gives a strong per-formance as the rnthlessly, pragmatic Labour councillor Ken. The director is Ian Brown.

#### Philharmonia/Festival Hall

#### **David Murray**

ing in Beethoven and Bruckner with no touch of the spurs. perietten over a very long career. Now 83, he is in London again to conduct the orchestra in three more programmes. The first of them, on Monday, heights of the first movement, proved that his powers are undiminished-but It seems impertinent even to remark that. for he is obviously a conductor hent solely upon the faithful realisation of his chosen music, unconcerned with making any particular impression of his

With Haydn's Symptony No. 82. "The Bear," it would seem irresistible to adopt some particular line; it is a work that
takes easily to one "cbaracterisation" or another. As one
exactly as their admirable terisation" or another. As one exactly as their admirable might have guessed, von Chorus. The strong solo Matacic pressed nothing upon quartet included Malcolm King, it: from its graceful, unaggressive opening the symphony unfolded with the utmost easeeverything naturally shaped, lucidly coloured, full of un-

Two years ago Lovro von elderly tempi, hy the way, but Matacic gave a pair of where the music must he fleet East End immigrants widens feeling for the dynamics of immensely satisfying concerts he has the knack of letting it with the Philharmonia, display- seem to race on its own power,

> Beethoven's "Choral" Symphony had splendid breadth and warmth. Not an apocalyptic reading: the conductor did not insist upon the towering but rather spread out the texture so that every stop of the intricate symphonic argument could make its effect. All the tensions were internal-not at all melodramatic, but musically very exciting. The Scherzo crackled and flew as it must do; the stages of the Adagio were calmly graded, and developed eloquently. The Phil-harmonia onswered to von Anthony Rolfo Johnson and Felicity Palmer. The soprano Alison Hargan had wayward moments but also produced some strikingly lovely forced rhythmic life. Von such an individual voice Matacic doesn't indulge in fit easily into ensemble. Von such an individual voice doesn't

#### Art news in brief

Martin Shaw and Shelagh McLeod in

"Cream in my Coffee"

The English National Opera's subscription scheme continues Otello (with Charles Craig, £17.85 or to save up to 30 per with the Spring 1983 Series— Rosalind Plowright and Nell cent on the highest ticket price once again sponsored by John Howlett); Gounod's Romeo and The English National Opera Player. Twelve productions are Juliet (with Valerie Masterson offered to subscribers including and John Treleaven); Puccini's its fourth season and is proving three new ones—Chaikovsky's La Boheme and two operas by highly successful.

The Queen of Spades, Dvorak's Verdi—Il Trovatore and The Rusalka and Prokofiev's The Force of Destiny.

The National Gallery has of a paragraph of the Rusalka and Prokofiev's The Force of Destiny.

The National Gallery has of a paragraph of the Rusalka another Poussin, its lection.

Revivals

include: Verdi's First Nights for os little as subscription scheme is now in

IIth. It is "The Triumph of Pan" painted for Cardinal Richelieu and delivered to him in 1636, and sought by the Gallery because of its size; it measures 57 ins by 52 ins, making it the largest Poussin of a pagan subject in the col-

#### THEATRES

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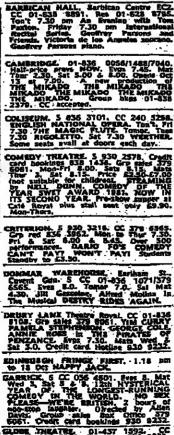
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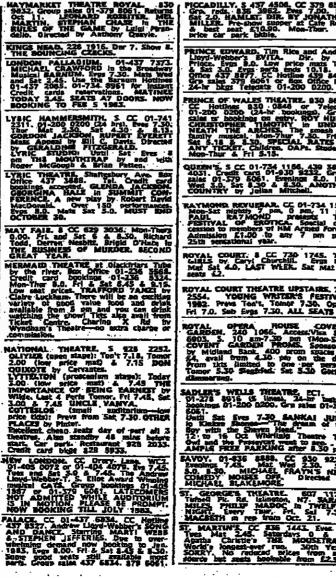
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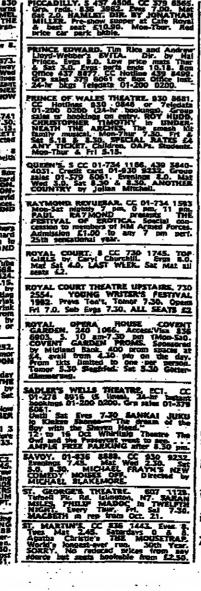
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#### ART GALLERIES

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#### F.T. CROSSWORD PUZZLE No. 4,991

ACROSS 1 To mend it later could he harmful (11) 7 Scottish couple in West 9 On the other hand, a prophet

say (5) 10 He always bas nine (9) 11 Peramour losing head values too much? (9) 12 Huntress transformed into a nympb (5) 13 President enters partly to make 26 (7).

Fame for three out of four bridge players (4) 18 Hands back in exchange (4) Not quite the voice perhaps for the cloth (7) 23 Work time entertainment?

(5) 24 Spacious residence - not British to stay here (9) May be reached after meeting (9)

27 Made right form of fantasy (5) 28 Plough handle (3) 29 Forecast here if on course (II)

DOWN 1 In a word, go by a swimmer (8) 2 Underwear in attempt to

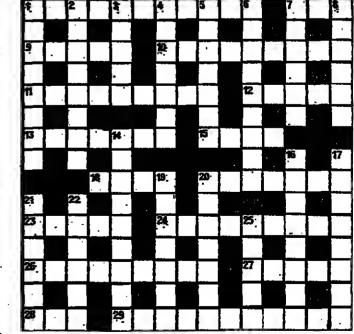
disguise (8) 3 A preparer of hides doesn't 17 Leading revolt on board to enquire near bull! (5) make headline (8)

4 One steeple oddry without 19 Return of fishing gear in point associated with St Newhaven is an omen (7)

Paul (7)

5 The original motive for dis. 20 Hop producer in state by the loyalty (7)
6 One may look through this 21 Discover look about goddess

to be sad (6)



danger? (6) 14 Modern oracle—not heartless shopkeeper (9)

2 Things to be done almost a

16 An evil turn may be (8) stronostor

sea (7)

(6) 7 Skill returns to soldier about 22 Typist's first mistake is a nuisance (6).

25 Possessed hy eastern sunit leads to Abaddon (5) Solution to puzzle No. 4,990 MGREKZ ONVERSANT OW M E O A M NARKET TIPSTAFF

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Wednesday October 6 1982

# a Blaming the **Americans**

ing community, which seems to any rate outward complacency since the first alarms over the Mexican debt crisis were allayed, may get something of a jolt from the annual report of the Group of 30, published yesterday. This group of emineut commercial and central bankers, led by the former managing director of the International Monetary Fund, Dr Jobannes Witteveen, delivers a bleak verdict. The chances of an international banking crisis, which could tip the world economy into a real depression,

are higher than for many years.

Nobody escapes censure in Dr Witteveen'a forbidding preface te the report. Governments have forgotten the habits of co-operation which served us well in earlier decades, and are allowing themselves to be pushed towards protectionism. Excessive wage pressure is diverting investment into labour substitution, and adding to the problems of domestic policy. inks bave lent unwisely. following fashion and doing inadequate research—a record which also reflects badly on When at length compelled to address themselves to the crisis, world leaders have failed even to the very limited promises agreed Versailles summit agreed

However, it is clear that in this indiment, one country is seen as more blameworthy than the rest. The specifically financial strain caused by volatile exchange rates and high real interest rates is due mainly, Dr Witteveen argues, to American

#### Reliance

It is the U.S. which has especially put excessive reliance on monetary policy to combat inflation and so imposed high real interest rates on everybody else; it is American intransigence over exchange market intervention which has sustained and even increased the volatility of exchange rates. It is, by implication, America's fault that there is little fault that there is little prospect of a sufficient enlargement resources to tolerable adjustment policies in

These charges are bardly new. They bave been pressed by a large number of America's trading partners, and we would driving home. However, there is a danger in this constant nagging, and one which Dr quire refinancing. This question Witteveen does not altogether has not yet appeared on the escapa. It can be a substitute international agenda.

THE INTERNATIONAL bank- for serious analysis of the underlying problems. This can readily be seen if it

is imagined, for a moment, that President Reagan were to announce tomorrow a total change of beart. Defence spending must be financed at the expense of current consumption, so taxes would have to be raised drastically. Meanwhile he had been impressed by the difficulties of the developing world; taxes would further be raised to pay off all U.S. obligations to the International Development Agency, and the U.S. would propose a further emergency meeting of tha IMF to carry through a rapid doubling of fund quotas. The U.S. Treasury would join with others in offsetting private capital flows in the exchange

This would undoubtedly cause much relief in financial markets, and should produce a substantial fall in real interest rates; but it is not at all clear that it would resolve the dabt problem now overhanging the banking system, or even prevent it getting gradually rather than rapidly-worse, As our own experience shows, raising tuxes can stabilise a depressed economy, but it is hardly a

In short, a stabilisation policy, which is essentially what the Group of 30 prescribes, would leave a chain of dilemmas unresolved. Thay are caused partly by the fact that this is still an inflationary recession. Nobody has devised a way to disinflate and stimulate at the same time. This in turn means that developing countries, relying partly or largely on commodity exports to earn their living, cannot service debt at high real costs, as President Lopez Portillo of Mexico pointed out to much applause at the United Nations a few days ago. On tha contrary, they need further inflows of capital if they are to avoid impoverishing themselves and further depressing world trade through imposed austerity. In other words, as Dr Witteveen points

a sick world economy. This analysis points heyond quarrels over national policies to a more fundamental one: whether the banks can handle a debt crisis so complicated by tha continuing battle against inflation in the developed world. which seems bound to impose historically high real interest endorse most of them onrselves. rates. This suggests that any So far as such criticisms bave durable solution must involve contributed to the changed some reconstruction of long-emphasis of U.S. policy in re-cent weeks, they are worth write-offs, through the longterm capital market, just as over-borrowed companies re-

out, banking cannot flourish in

are determined to make their The unmasking this weekend

of a plot by a group of coloneis to seize power on October 27, the eve of Spain's general election, has again raised the question of how civilian authority should treat the military-in the very week that the election campaign

IKE an uninvited guest at on exclusive party, Spain's disgruntled armed forces

Seven years after the death of Franco the relationship between the military establishment and the Government is still the most sensitive issue in the country. It is one that all the political parties would infinitely bave preferred to keep at arms' length until it could be dealt with in a calmer atmosphere.

Spain, after all, has no shortage of other problems. Until the coup aflegations it had been assumed that economic difficulties and defence would dominate

Sixteen per cent of the workforce are without jobs and the cash flow problems of Spain'a largest private industrial group -disclosed earlier this monthhave dramatised the fragile tate of the economy after almost five years of recession. Spain'a membership of Nato. The Socialists are pledged to reconsider and to freeze Spain's integration inta its military command structure. They also want to renegotiate the defence treaty with the U.S. Both proposala are very controversial and have alarmed the armed forces which take them aa further evidence that the Socialists could no the relied on to look after their interests.

weekend revelations have, for the moment, pusbed these issues into the hackground even though the full dimensions of the plot have yet to be made public. The whole campaign suddenly seems less predictable than it did even a

week ago. Until now it had been almost universally assumed that'a new era in Spanish history was about to open and that later this month Spain would elect Its first Socialist government since the start of the Civil War

Polls and politicians have

heen almost upanimous. The assumption has been that Sr Felipe Gonzales, the Socialist leader will be the next prime minister. His united party provides a sharp contrast to the disarray on the right where a hewildering array of parties, some old and soma new, are in effect at war with each other.

But Sr Gonzales' victory can no longer be taken completely for granted; the discovery of the plot resurrects two ques-tions which had seemed no longer relevant: is Spain ready for a Socialist government, and is the Army willing to accept

The parties representing the centre and the right—basically the ruling Union de Centro Democratico (UCD) and Alianza Popular (AP) — will certainly be tempted to exploit this issue.



ADOLFO SUAREZ

Damaging defection

Alternatively there may be a tacit pact not to rock the boat.

This would mean that yet again

to confront the military

The Socialists themselves can-

not afford to be too strident

since this would risk alienating in advance an institution with

which they will have to deal if

benefit from public anger at the fact that for the third time in

four years, dissident officers in

the armed forces have sought

to overthrow Spanish de-mocracy. This time public sym-pathy for the plotters has been

This calm, almost indifferent,

public reaction has already had

a stabilising effect on the Government itself. In any case,

this is not the hest moment for

any confrontation with the mili-tary—even if it is an un-reasoning hardline fascist fringe. The Government of Sr.

Leopoldo Calvo Sotelo has ex-

hausted all its credibility and is

merely acting as administrator,

resigned to losing power after

ahead of schedule because the

working majority of UCD in parliament collapsed. In the

past 10 months desertions to Right and Left have reduced UCD's 167 deputies to little

to personal differences and bit-

ter internal rivalries than ideo-

flected the heterogeneous forma-

tion of UCD from 13 distinct

and Justice Minister Sr Fran-cisco Fernandez Ordonez

deserted with his Social Demo-crats (PAD) to sign a pact with the Socialists. On the Right

there were some direct defec-tions to AP, headed by Sr Manuel Fraga, a former Minister

Fernandez

On the Left former Finance

Sr Calvo Sotelo was obliged

call elections six months

Yet the Socialists may also

they come to power.

totally absent.

the elections.

more than 100.

MANUEL FRAGA

party (PDL).

Prime

Christian Democrats (PDP)

associated with Sr Fraga. Yet

others joined a new Liberal

tion was that of the former

Snarez. He sought in vain to re-impose his will on UCD but

failed and broke out on bis own

with another Centre party

The combined effect of these

defections has been to leave

UCD a shadow of its former

CENTRE AND RIGHT

centrist platform.

vative Catholic platform.

REGIONALIST PARTIES

But the most damaging defec-

Minister Sr Adolfo

veteran leader Santiago Carrillo.

by Felipe Gonzalez. The Socialist Party.

CIU (Consergencia i Union). Headed by Jordi

PNV (Partido Nationalista Basco). Headed by

Xavier Arzallus, conservative Basque nationalist.

Pujol, conservative Catalan nationalist.



SPAIN'S ELECTION CAMPAIGN

The shadow of the military

By Robert Graham in Madrid

Too little time -

the resignation of Sr Calvo

Sotelo from the UCD leadership

last July has allowed far too

little time for its new bass.

former speaker of parliament,

Sr Landelino Lavilla, to rejuve-

spectacle of a ruling party call-



#### LANDELINO LAVILLA

FELIPE GONZALEZ Moderation keynote

Sr Oscar Alzara who formed the electorate confused. Meanwhile candidate, when asked about it on local radio, said he bad not yet received a copy. Thus the party which steered Spain

through the key phases of transi-

tion from the Franco regime and which mustered 7m votes at nate its image.

Indeed the electorate has been confronted by the somy the last election is now fighting to prevent its own extinction. It is all so different from Spain's first general elections in 1977. Then it was the left which was both fragmented and disorganised and the UCD which ing an election without any.

toral programme and un abla to agree even on whom its candidates should be, occupied not only the centre but The programme was cobbled most of the space on the right. together so quickly that one Now the Socialist Party is unified, albeit at the expense of silencing the left who are reckoned to represent 25 per THE MAIN POLITICAL PARTIES

cent of the supporters. Meanwhile it is the turn of mented with a big rise in the position of AP.

PCE (Partido Communista Espanol). Headed by Efforts by Sr Fraga and his supporters within UCD to form broad Centre-Right coalition PSOE (Partido Socialista Obrero Espanol). Headed collapsed in early September.
This would have been the only plausible means of blocking, and perhaps beating, the

Fundamentally the coalition UCD (Union de Centro Democratico). Headed by Landelino Lavilla, the rump of the ruling party in the out-going government offering a continuation of centrist policy.

Fundamentally me continuation falled because of the abrasive character of Sr Fraga and the calculation by Sr Lavilla that an alliance with him would be the Kiss of death for UCD's democratic Centrist image.

Sr Gonzalez pointed out recently that, unlike most demo-CDS (Centro Democratico Social). Headed by former premier Adolfo Suarez, offering progressive cratic electoral campaigns, the present one can hardly be fought on the basis of the outgoing Government's record. "It AP (Alianza Popular). Headed by former Franco is bard to know who you are logical disagreements and re- minister Manuel Fraga offering right wing conserreferring to or who has been responsible, there have been so many changes and desertions,"

In the face of this the keynote of the Socialists is moderation. Sr Gonzalez is not offering the King, French or Greek style change. However, the centre and right The word nationalisation only high tension electricity gaid net-

the fight to curb unemployment is their top priority. With memployment now over 2m, the Socialists are proposing to create 800,000 new jobs over the next four years. If the economy per cont as well it might, this will represent the containing of unemployment rather than any significant reduction. It is a modest aim when set beside the immultified aim of the social contract concluded last year between the unions, the present Government and the employers This predicted 350,000 jobs in 1982 allone. The Socialists insist that they

will encourage small medium-sized businesses create new jobs and to control public sector spending. In fact it is only the small print which shows the difference between those of the other parties on left and right—who have all put their main emphasis on

fighting unemployment.
The Socialists intend to be more interventionist especially over interest rates and to encourage the banks to channel more resources to productive

In private the Socialists are the first to admit that the room for economic manoeuvre is very slim, after five years of rerecent major difficulties that have emerged.

These include to name only times, the cash flow difficulties of the largest private industrial group. Union Explosivos Rio Tinto, the temporary receivership of the largest aluminium producer. Aluminio Espanol, and the problems in the Banca Catalana banking group. Indeed in opposition.

Socialists have openly, or tacitly, supported all major domestic policies. The big disagreement has been over foreign policy.
They say they will freeze
Spain's integration into the

military structure of Nato -Spain having only joined in June. They insist they are not anti-Nato, merely that Spain's interests are best served by not being part of its military structure. At the same time they are committed to renegotiate the recently agreed bilateral defence convention with the

The Socialists still suppor Spain's EEC membership but have a more neutralist view of the world and a desire to emphasise links with Latin America and ties with other countries in the Mediterranean

attractive and most popular figure in the campaign. Significantly the Socialist posters which began to go up yesterday throughout the country were promting him more than anything else. Reportedly be has the all-important confidence of

wing parties believe that there is still residual resistance to the prospect of a Socialists governwork and is little more than ment. They can be relled on to symbolic. ment as pos-The economy and, particularly sible in the three weeks ahead.

# **Competition in** life assurance

A REQUEST by a powerful group of British financial institutions for direct government intervention in their affairs looks suspiciously like the City equivalent of man bites dog. Yet the recent approach by the Life Offices Association and the Associated Scottish Life Offices to Dr Gerard Vaughan, the Minister of Consumer Affairs, was real enough. It was prompted by fears that unbridled competition would break out as a result of the two associations' decision to scrap rules laying down maximum commissions paid by their members to intermediaries from the end of

#### Damaging

Since Dr Vaughan has expressed a predictable lack of enthusiasm for government intervention, a commissions war is now firmly on the cards. The question is whether competition in life assurance is really as the traditionaliats in the business really believe. The traditional case against

unrestricted competition in life assurance is that companies pay excessive commissions to secure new business and then unload the additional cost on to the consumer in the form of lower surrender values and bonuses. Meanwhile, insurance brokers, whose clients may not understand the financial niceties of the life assurance contract, have an incentive to give business to the company that pays the highest commission instead of the one that meets the consumer's need. There has, in the past, been a noteworthy correlation between insurance companies that collapse—the failure of Nation Life in the mid-1970s was perhaps the most conspicuous—and those that bave paid the largest commissions. In an

been transformed. The policyboider enjoys statutory protec-tion from the financial conse-quences of a collapse. The Department of Trade is obliged to monitor closely the solvency of life assurance companies and Dr Vanghan says that the effects of increased competition will he

What the policyholder does not at present enjoy is information about the costs that he bears. This concerns not only commission but a whole range of costs that whittle down the benefit of the tax subsidy that the government chooses to mete out on this kind of investment.

Dr Vanghan has threatened to have details of commission payments published so that the Press can pin-point those companies that are charging excessive commissions. He also favours disclosure to consumers of the commission received a the point of sale.

#### Powerful

This is fine as far as it goes. There is a powerful case for supplementing the principle of caveat emptor with disclosure of commissions, just as there is a case for supplementing it in bire purchase with the disolosure of true rates of interest. But why should the policybolder have to wait to see whether a commissions war develops before disclosure is made? And how clearly would the costs be spelt out?

In the present beavily regulated climate, more competition has something to recommend it. provided that the disclosure safeguard is adequate. The question for a radical Conservative government, however should be whether to go for still more freedom by scrapping the fiscal subsidy on life assurall-out commissions war, smaller ance. The social justification companies may also go to the for the subsidy is less pressing

#### The few Details of one of the most elite readership in Britain, nay the world, have been leaked to me, Since the mid-1970s, however, tha legislative framework has but I defy you to guess the

The fact that 41 per cent of

was Muscant were it not for another figure showing a similar number bought at least one case of wine last year. Fifty-one per cent admitting to being regular gardeners which hints at Country Life. But I doubt that 6 per cent of that magazine a readers buy over 40 books

that these are subscribers to The Spectator, one of Britain's most admired and least read The survey, conducted by



## Men & Matters

them have recently made a speech might suggest the paper was Militant were it not for

Give up? Then let me reveal

MORI, comes as part of a drive by the paper to boost its appeal to advertisers. To increase the 18,000-plus circulation the magazine has eschewed Bingo But instead it launches a

> so to speak. Throgmorton Street.

grant to research the quicker use of coal stocks"

The first prize is a painting worth £3,000 by Sir John Lavery—an artist whose works, I Spectator readers but much loved by the magazine's oil tycoon proprietor, Algy Cluff.

the figures is that they show Spectator readers to be quite bossy, rather successful, very literate and pretty lazy," says Jamea Knox, the sales manager. in fact, typical merchant

"The revealing thing about

The point that touched the ollsters was the infinite loyalty of the subscribers. MORI director Tim Burns says that as an incentive to fill in the questionnaires the company promised to send £1 to a

"A large number told me to send it to the Speciator," he

#### City audit

City of London sinners had better watch out. The Reverend Hereward Cooke, the recentlyappointed incumbent to the parish of St Edmund the King in Lombard Street, is no ordinary cleric. Sent by the Bishop of London to "involve himself with the commercial life of the City," he has brought with him the tools of the trade,

Before entering the Ministry in 1966, ba spent many years a chartered accountant in

His vocation manifested itself when he was working in Boston. Massachussetts, where he was impressed by the presence of the Church in every aspect of life in the city.
His parishioners at St
Edmund's, who are almost all

bave slipped since his Throg Although an enthusiastic morton Street days. "An uphill yachtsman Sir John has not

hear his belief that Lloyd's of London is only now "discovering truth."

He is, be explains, referring to spiritual and not accounting

#### Quick read

In the ataid world of book publishing, Michael Balfour, grand-son of the late George Balfour, MP, and founder of Balfour stands ont as a highspeed trader who stands every chance of winning astronished glances from traditionalists at national Book Fair.

He claims a world record for high-speed book publishing. He needed only 171 days from conception of the idea to delivery of the first sets of his new book on the late Princess Grace of Monaco.

Balfour phoned Collins, the publishers and in 20 minutes had sold them the idea of an instant book. Within days he had St Martin's Press of the U.S. in his lap and yesterday morning publishers Per Mortensen of Osio called to get in on the act.
Balfour ordered 48 tonnes of
paper, took a total risk of
250,000 and won orders for £97,000 for the book "Grace: Story of a Princess," before a

was printed. Eighteen days after getting the idea, he watched this week as 30,000 copies of the book were airlifted to the U.S.

#### Hurricane Jack

Edmund's, who are almost all take a new admiral on board—office workers, tell him that the Master of the Rolls Sir moral standards in the City John Donaldson, Although an enthusiastic

struggle for good men and true gone so far as to emulate tha to uphold standards," is the way Dutch Admiral Van Tromp ---

treasure bunt this week, com-he sees modern business life. Isshing a broom to the mast-plete with 12 weeks of testing Bearing in mind his qualifica-bead of his 37-foot motor Bearing in mind his qualificabead of his 37-foot motor tions, some of Lime Street's sailor and proclaiming his black sheep may be alarmed to intention of sweeping the cobintention of sweeping the cobwebs out of the appeal courts where he now presides.

However, he has wasted no time in making it plain that he radically to alter the court's procedures and practices in the interests of efficiency.

Expressed in saffing terms life in the court in future is likely to be closer to being an offshore racer than a Norfolk Broads cruiser.

On Monday he briskly disposed of his first case with a six-minute judgment. Yesterday an appeal expected to last five days was over in half a day. One advantage of Sir John's expeditious style is that it gives those concerned with the court time to digest the 13-page

document in which he has set out his proposed changes. While presiding at the National Industrial Relations Court he was known to the unions as "Blackiack" Donald son. In future a more appropriate nickname may be Hurricane Jack.

#### Readers' champ

I wrote last week about a new computer program designed to spot cliches and kill them off. It has been devised by Julian Allason of Microcom-Poter Printout

The young man was unkind enough then to run Men and Matters through his computers. report with relief that your favourite reading emerged with a creditable score being 94 per cent cliché-free.

The Law Courts are finding it an interesting experience to take a new admiral on board—the Mester of the Rolls Sir leading article on this page on the sama day. I have to confide that it scored only 85.6 per cent.

**Observer** 

# Manufacturing in Barbados increases your profits

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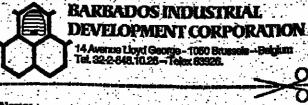
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tales

UK PUBLISHING

# The hard sell for a good read

By Alan Pike

THE FRANKFURT Book Fair, a major event in the world pubkishing calendar, opens today. But the thoughts of many of the British publishers present are this antumn fixed on shop windows at home. The worldwide use of English

gives British publishers an advantage overseas; last year books worth more than £350m were exported, giving a balance of payments surplus of about £100m. Now, with a co-ordination and style unknown in the past, the industry has turned its attention to the home market in a determined attempt to expand domestic sales through all available outlets.

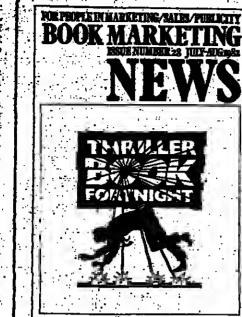
It is not a universally popular sales campaign. Some authors, publishers and booksellers regard the use of commercial techniques to market books as about as morally acceptable as selling off the contents of the British Library. One prominent woman author recently told Mr Desmond Clarke, director of the Book Marketing Council, that she regarded his activities as

little short of vulgar. But publishers, booksellers and printers all recognise the need to expand a market which last year was worth about £520m. The three sectors of the book industry have been having a hard time in the recession, though not always for the

Publishers: Many have been losing money in the recession and the number of new titles is no longer growing each year. Even so it is still expected that 38,000 books will be published this year. No one knows how many of these will make a profit. but the proportion of big sellers. with a print run in excess of 100,000, is very small.

● Booksellers: Britain's 500 traditional booksellers have seen a disturbing slump in profitability. A recent survey by the Booksellers Association and Business School Manchester calculates the net profit on total sales of many hooksellers is now only 19 per cent. Meanwhile, the bookshops face fierce competition from non-tradtional outlets for book sales.

 Printers: Unofficial estimates suggest that about 30 per cent of British publishers work is now printed abroad. Colour books have been particularly affected. The fall in sterling has eased the problem a little, but there is excess capacity throughout the industry



PUBLISHED BY THE BOOK MARKETING COUNCIL

The Price of a Book Production (printer, binder, artists) 10% Trade discount 17% Promotion. distribution, 38× 35×

effects of the recession. Mr Clarke'a philosophy is that books have to he sold, and there are plenty of outlets willing to join the traditional bookseller

A survey by W. H. Smith and Son suggests that in the last quarter of 1981 Smith and the traditional bookshops each held 16 per cent of the bardback market: The largest share— 22 per cent-went to book clubs and another 11 per cent to mail order.

in selling them.

In the paperback sectormore than 70 per cent of the market in volume terms and 40 per cent in value—Smith led the field with 23 per cent to the traditional booksellers' 17 per cent. Confectioners, tobacconists and newsagents did almost as well as traditional bookshops, with 15 per cent of the paperback market.

Mr W. B. I. Jamieson, finance director of W. H. Smith, says that the company is making sub-stantial increases in its book promotion budget this year. But I still envisage an important place for indepen-

seriously affected by cuts in spending on books for public libraries, schools and colleges, quite apart from the deadening on books.

Wext month 8,000 retail outlets—many of them non-tradibookseller is going through a like newspents—tipnel ones like newspents— However, the independent bookseller is going through a fairly rough time. "The recession has not been kind to booksellers," says Mr Tim Godfray, director of the Booksellers Association. "Some one-person businesses with low overheads may be able to hold their costs down and wait for better times, but it is difficult for many bigger abops with staff

other substantial over-

MT Clarke'a marketing schemes range from suggesting window displays and shelf lay-outs to small bookshops to big promotions across the industry. Books account for about 0.33 per cent of consumer spending," he says. "That figure is not divinely ordained. It can be increased, by accepting that publishing is in competition with other leisure industries. We must use every worthwhile avenne to market ourselves. Why should books not be advertised on the back of soap powder packets?

The first of Mr Clarke's industry-wide activities, the Best of British Authors promotion, generated considerable

Next month 8,000 retail outtional ones like newsagentswill launch Thriller Book Fortnight, the first-ever co-operative marketing venture by Britain's highly competitive dozen big paperback publishers. Already five of the novels to be featured in the campaign have had to be reprinted. This autumn will also see another important joint venture by eight leading pnb-lishers—a television advertising campaign which, in addition to featuring specific titles, will promote the general concept of buying books.

Mr Clarke's confidence that the amount the British public spends on books can be increased through marketing is supported by research which his council—part of the Publishers Association—has conducted into book-buying babits. This shows that 49 per cent of unit sales are impulse pur-

But if Mr Clarke and bis publishers succeed in enlarging market, will the harddent booksellers. They provide literary controversy over the book sector — admittedly more word industry is still a range and speciality of service names left out. But he estimates seriously affected than the rest organised quite like that.

problem.

£2m investment including work

time it tendered unsuccessfully the job went abroad to such countries as Italy, Spain, Ger-many or Hong Kong, Recently Clay announced Fakenham's closure, having reached the "reluctant conclusion that colour book manufacturing in the UK is a doomed industry and that Fakenham Press is therefore a doomed business." British book printers do not put all the blame on foreign in recent years bave sometimes been too high and many British printing works still lack the flexible manning arrangements of their rivals.

Yet however much acknowledge responsibility for the imperfections of their industry, British book printers and print union leaders find it hard to accept that overseas tenders always reflect a spirit of fair trading. Hence the current rumours that some Italian printers receive 90 per

The exhibits at the Frankfurt

-shows the gravity of the

production interests. In a drive to improve efficiency after the Fakenham became, according to Clay, "by any standards an efficient manufacturer in Its

In spite of these improve-ments Fakenham's losses con-tinued to grow. The Clay board discovered that almost every ompetition. Wage aettlements

On firmer ground, the industry has commained to the Government that import duties on Spanish language books into Spain operate unfairly, while British prioters regard the Australian Book Bounty scheme as a 30 per cent subsidy to local printers. Most disturbingly of all for the British industry, the U.S. bas just renewed its manufacturing clause under which American authors receive copyright protection only if their

Book Fair may be fine examples pressed book printing industry of the liberating, boundary-benefit? The latest casualty of breaking character of the the problems facing the colour written word, but the written book sector - admittedly more word industry is still not

Fakenham was taken over in 1979 by Richard Clay, a public company with extensive book take-over, the workforce was reduced by 40 per cent (to 230), ing capital was injected, and

The Government could reply

cent wage bill subsidies from the Italian Government to avoid

work is printed in the U.S.

# The Chancellor's choice: output or inflation

The British Economy

By Alan Budd

IN RECENT months we have the fall in output and rise in bad very bad news about output and employment and very good news about inflation. In the light assess the Government's poli-cies? In particular, should the depressing news on output finally persuade the Govern to change its policies and start trying to boost demand?

that its only responsibility, as far as macro-economic policy is concerned, is to control inflation and that there is nothing it can do about output and employment. Stated in that form, the argument is clearly wrong. The Government could at any time take steps to expand demand and we would soon see the effects on output. The Government does not deny that (though it, rightly, questions how long the effect would last) and, indeed, its policy responses during 1982 and its choice of monetary targets at the last Budget show that it is prepared to moderate its policies rather than risk ao unacceptable decline io economic activity.

It bas, however, shown itself exceptionally determined to concentrate on inflation. That leaves It open to two types of criticism. The first is that the gains in reducing inflation have not been worth the cost in terms of lost output and high unemployment. The second is that the gains could have been achieved at much lower cost.

The choice the Government has made between maintaining output and reducing inflation is ultimately political and will be judged by the electorate in due course. It is difficult to know what the Government expected the cost of reducing unemployment to be. Year by year It has had an enviable success in forecasting what was going to happed to output and inflation; in that sense no one can claim to have been deceived. However, it has always been much more circumspect about longerterm developments and it is hard to believe it expected economic activity to stay depressed for so long. (We certainly did not.)

It would be wrong to suggest that the Government's policies alone have been responsible for unemployment. The world recession has played a key part (and the experience of France showa bow little can be done to boost a single economy while all others are turning down). But it would also be wrong to the Government's responsibility completely and this does raise an important

The Government has to make the short-term choice (even if there is no long-term choice) between output and inflation. It must make this choice partly on its assessment of the "technical trade-off" between the two. ie, how much extra unemploy-ment is needed to reduce inflation by 1 per cent. If experience sbows that this cost is far higher than it expected, it should revise its choice. When questioned by the Treasury Committee on this point during 1980, officials tended to argue that we should not base our judgment of the trade-offs on past experience since the Government was embarking on new types of policy. The implication was that the trade-offs would he more favourable

It may take time to wean industry from relying on the Government to start the recovery

in future. The evidence so far bardly justifies that optimism, and one is left with the impression of a Government which marched relentlessly onwards towards the goal of reducing inflation with little regard for the short-term con-sequences. (Msybe the elec-torate will think it was right to The question of whether the

reduction in inflation could have been achieved at lower cost is far more complex. With hindsight I believe that the costs could have been lower bad the Government adopted different policies in its first two years of office.

If the Government continues

to concentrate on reducing inflation, it must believe that the economy will eventually recover of its own accord. This bellef has been widely question. How, it is asked, is the recovery to come about? Doubts are re-inforced by the common complaint from businessmen that wbat they want is not so much lower interest rates or lower wage costs (though both are welcome) but orders. Hopes for a spontaneous recovery rely on such processes as the "real such processes as the "real balance effect" (when the rate of inflation falls below the growth of the money supply). There are also the effects of lower increases in wage costs. which should restore the de-mand for labour and improve our ability to sell goods in competition with overseas suppliers.

Yet even if one believes in these processes (as I do) it is extremely difficult to know how rapidly they will come into effect. Also it may take some time to wean industry away from the belief (which has been correct for the past 30 or more years) that it can rely on the Government to get the recovery

In splte of the doubts about the strength and timing of a spontaneous recovery. I believe that the Government should stick to its current strategy as set out in its last Budget, Although there is always s temptation to throw good forecasts after bad, I still think that there will be a reasonable growth of output next year. I do, however, believe that the Government should operate monetary policy as flexibly as it can within the generous limits allowed by the Medium Term Financial Strategy. (Recent indications suggest already started to do this.) It should continue to do so even if it means a fall in the exchange rate and temporary setbacks in its successes in bringing down inflation.

The balance of risks now lies towards extended recession rather than towards ao explosion of inflation and the Government should adjust its conduct of economic policy accordingly.

Alan Budd is Director of the Centre for Economic Forecasting at the London Business School

## Letters to the Editor

#### Why Russia's natural gas is much cheaper

Sir,-Your editorial on the pricing of natural gas in the West European market European (September 29) contains one important misperception. While as you say, it is difficult to be precise, it appears that the price for new Soviet gas con-tracts is around \$1 per mmbtu less than the Algerian contracts recently concluded with France and Italy, Given the likely cost of production and transporta-tion systems for new Nor-weglan gas, it is likely that Oslo will require at least the equiva-lent of the Algerian price. What this means is that the Soviets, by virtue of the way

they run their economy and the premium they attach to hard currency earnings can, and will for the foreseeable future be sble to substantially undercut

From Mr G. F. Hooper Sir,-I was appalled to read

(Sept 28) that new trains, pre-

sumably costing millions of pounds, and electrified lines, also costing millions of pounds,

are lying unused on the St Paucras to Bedford line because

the unions cannot agree with BR with regard to manning.
Surely BR have left out an important piece of work when

the scheme was first planned. I suggest that BR should bave gone to the unions long before

any work was commenced and outlined what they planned to do and what it entailed from

an operating point of view and

having obtained the agreement

of the noions then proceeded with the scheme, If no agree-ment can be reached, then at

best it will require to be revamped and at worst scrapped so that they can soldier on with

the existing service and rolling

Pancras-Bedford line but the

lesson for the future is: agree

how on the operation of any

new scheme before the outlay

of millions is made. I am thinking of other electrification

schemes such as the extension northwards on the East Coast

misforlune to have to travel

daily from Glasgow to Edin-

burgh, while the service.

scnerally speaking is very good with nine out of 10 trains run-

lng to or within a few minutes

of time, all too regularly my

train is cancelled because of the

delay or breakdown of the in-

perhaps nearer home, the Glas-to How-Ayr electrification project.

Too late now to help the St

BR's unused

trains

The big question this raises

of Moscow is obvious.

all competing suppliers to the European market.

is whether, given the current concern over supplies from the USSR, West European countries are prepared to pay considerably higher prices for sup-posedly more desirable non-Soviet gas. However, when one compares the track record of the USSR as a supplier with that of Algeria, the superiority

This is not to say that the Algerians have no case, but to make that case by unilateral cancellation of projects (West Germany and the Netherlands), peremptory demands for a doubling of the price followed by an embargo (France and the U.S.) and the refusal to adhere to the terms of the Trans-

notice to keep the service going.

Perhaps it would even be possible to recruit a driver and

Sir.—I bave just received yet another missive from the Inland Revenue informing of yet

another return that we will have

to make in the near future.

This concerns agency workers

operating through companies.

vices through companies. This

Is yet another example of the increased burden being placed on small businesses—and this

by a Conservative Government supposedly pledged to belp. The

more time we spend filling out

forms the less time we have

ovailable to create wealth by

adding value to our goods or

Please can we have more

encouragement and less useless

Sir,-I am sure the ratepayers'

association in Hammersmith and

Stafford Robert and Partners.

354 Fulkam Road, SW10.

paper to fill out.

Squabble over

From Mr R. Jones

Simon Greeniy.

the rates

it would carry a lot more Fulham needs little help from avour with regular commuters me in its squabble with the

guard to man it as well! G. F. Hooper. 160, Hillend Crescent,

Clarkston, Renfrewshire.

Yet another

From Mr S. Greenly

Mediterranean contract (with Italy), is not a promising start for contracts with a life of 20-25

Sir,—I read with interest the

The precedent set by the Algerian contracts with France and Italy is not simply the political price which you cite, it is that a premlum price has been awarded to a country with an appalling track record as a supplier. Not only has this greatly weakened the negotiat-ing position of all West Euro-pean importers as they bid for new Norwegian supplies, it may have gravely affected the prospects for market expansion of the fuel which could make a significant contribution towards diversification away Middle East oil imports. Jonathan P. Stern.

157, Stapleton Hall Road, N4

if some of the money wasted on the St Pancras to Bedford line Borough (September 24), I would say, however, that you could hardly blame Mr Black-mun if he did not realise that had been spent on providing us with an extra train which could be pushed into use at short Hammersmith and Fulham has assets worth considerably more than its debt: it is for certain that the Borough's balance sheet suggests that what assets are owned are precisely matched by long-term debt. If the accountant, in his published balance sheet says that there is no capital, I can hardly think that you can admonish a ratepayers' association for not recognising that the accountant is mis-informing them. As soon call the sbareholders who were asset-stripped in the 60s, suckers for not realising that £10m of fixed

Department of Accounting, University of Birmingham, The requirement would appear to cover all payments made by employment agencies or similar concerns (whatever that means) milk policy for individuals rendering ser-

Rowan Jones.

From Mr L. Rundle. Sir,-Commisioner Dalsager (September 28) puts the Common Market policy on milk production very concisely. However, another view is worth remembering. Earlier this year, when Royal

Naval ships were being sunk in the South Atlantic, the producers of Kerrygold and Lurpak butter (Eire and Denmark) did not offer fully operational frigates to help us ont. The New Zealanders did; and so when it comes to the purchase of Dairy Produce, we choose Anchor butter on grounds which may be incomprehensible to

worthy men of Brussels. In the UK the logio of Common Market policies is seen in the context of a rather wider view of the world.

76, Boston Place, NW1.

# Industry failing

Christopher Lorenz. article on the Roots of the British Malaise, but would observe from my experience British industry fails to belp itself.

As the Careers Master and Head of Economics in an independent School, as well as a former Fellow Commoner of a Cambridge College that takes a large proportion of boys from Independent Schools, I have attempted to encourage young people to seek contact with industry between School and University. This has involved meetings with the Head of the engineering department, the Vice-Chancellor Elect of the University as well as representatives from industry.

The result has been the last minute cancellation of presentations to the potential under-graduates by a large firm, and virtual disinterest on the part major engineering companies! Admittedly, the British Engineering industry is going through a bad patch, but it must surely bave beard of seed corn. M. P. G. Wright.

Masters' Common Room Highgate School, No.

#### Scotch Whisky exports

From the chairman of the Information Committee, The Scotch Whisky Association

Sir,-Your columnist Lex claims (September 29) that world demand for Scotch Whisky fell by 10 per cent last year. It would be interesting to know where he obtained that information as be appears to have a source of statistics not available to the Scotch Whisky Industry or to Customs and

Releases from bond in the home market fell by 4.9 per cent in 1981, according to figures issued by Customs and Excise. Exports account for 83 per cent of our total sales and as a result of last year's strike by Civil Servants export figures are available for only half of the year. These show a decline of 3.2 per cent compared with the same months of 1980.

These figures do not suggest a decline of 10 per cent and Lex does no service to an industry which at a time of world recession continues to increase its share of the bome spirits market and to hold its own against domestic spirits in many important export markets. Donald Mackinlay.

17 Half Moon Street, W1.

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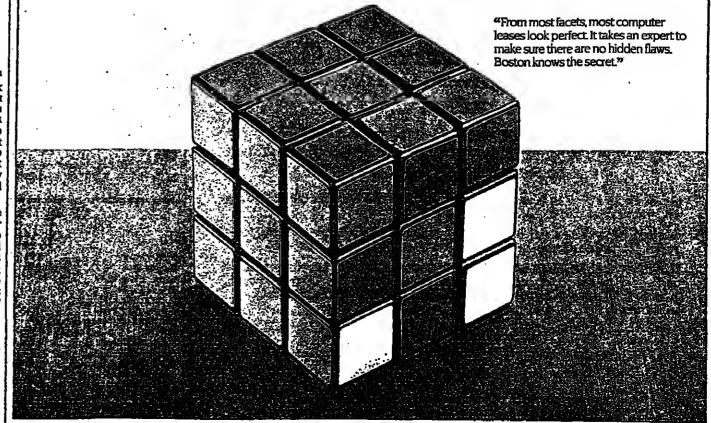
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# Some shrinkage but Sears has optimistic outlook

IN WHAT Mr Leonard Sainer, weak consumer demand, ad-the beairman, describes as the versely affected retailing busitoughest period for retail trading for many years, Sears Holdings

Turnover of this footwear retailer and manufacturer—it takes in Freeman Hardy and Willis, True Form, Dolcis, Lilley and Skinner, Manfield and Saxone—was 5 per cent bigher at £747m against £713m.

The interim dividend is un-changed at 0.7p net—last year's total was 2.5p from pre-tax profits of £104m.

Mr Sainer says the first half results cannot he used as a guide to the full year. Current patto the full year. Current pat-terns in the group's retsiling activities are more encouraging. he says, and a good start has heen made to the second half. Commenting on the first half, be says unemployment continued to increase which, coupled with

nesses. The effect of the worldrepotrs pre-tax profits virtually unchanged at £35.2m against group footwear profits. The group 31 1982.

White recession has resulted in delivery, a 12.5 per cent reduction in betting unchanged at £35.2m against group footwear profits. The motor division, on the other ment £4.

July 31 1982. per cent in trading profits. He says the improved engin-

eering results reflect the henefits of the disposals of the textile machinery businesses. licensed betting offices—the William Hill Organisation—which are always prone to floctuating results, have been particularly affected by increased hetting duty and unfavourable racins results. The 81 offices of the recently acquired Trident Bookmakers can be integrated into the existing business of William Hill with only a small increase in overheads.

A divisional breakdown of trading profits shows (in £m): footwear retailers, £19.5 (£22.3);

departmental stores, jewellery and other retailing, £2.9 (£3.6); motor vehicles sales, service and wide recession has resulted in delivery, £4.3 (£2.8); licensed offices, £2.8 (£5.6); property development and investment £4.4 (£4.1); linen hire and industrial laundries (£600,000) (ln January, the group sold its Consolidated Laundries division of Sears Industries Inc In the U.S.); engineering, £900,000 (£2m loss) (during 1981, decisions were

> Pre-tax profits were after is 2012. interest charges down from £3.4m to £2m, associates profits unchanged at £600,000 and non-profits of £1.8m (£1.7m). After minorities of £300,000 (same), attributable profits were £20.4m (£19.1m). Earnings per 25p share were 2.3p (2.1p).
>
> See Lex

sion).

## M. P. Kent over £5m at year-end

A RISE from £4.78m to £5.17m in pre-tax profits is reported by M. P. Kent, the Bath-based residential and commercial property developer, for the year to Jone 30 1982. Trading profits were down, bowever, from £4.78m to £4.55m, but the pre-tax figure was hoosted by a capital contribution of £607,000.

Group sales were slightly lower at £21.32m compared with £22.83m. At the halfway stage, pre-tax profits bad improved from £2.07m to £2.66m from sales of £12.4m (£10.37m).

The final divideod is increased by 10 per cent from an adjusted 0.8125p to 0.9p net for a total of 1.26p (1.1p adjusted). Dividends absorb £540,000 against £472,000. Tax for the year was £504,000

Mr M. P. Kent, the chairman, says borrowings have heen eliminated with £4.16m cash and monetary deposits at the yearend. Sharebolders' funds improved by £4.1m to £20.2m, an increase of 25 per cent.

Mr Kent adds the existing property development programme is progressing well with major projects due for completion by the end of 1982. The letting letting market is currently hesitant, therefore the company is being extremely selective in its approach to new developments.

ings per 10p sbare fell from 11.3p pre-tax profits, but compared to 9.4p. with its record over the last few years of a rapid growth in rofits, usually in the order of 50-60 per cent a year, these figures are a little disappointing. (Analysts bad been predicting around £6m.) In fact, sales fell by 7 per cent, and trading profits by 5 per cent—the only thing that kept pre-tax profits from falling was a capital item of £607,000. The company does not disclose what this represents, hut it is likely to be the capital gain on the sale of its stake in Federated Land. The balance sbeet is looking good; borrow-ings have been eliminated, and cash in band now amounts to over £4m. This might well be

Yesterday's full-year results needed, though, if market confrom M. P. Kent showed a ditions continue to be poor for respectable 8 per cent rise in the rest of the year.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS **OCTOBER 21, 1982** 

#### **FIDELITY** PACIFIC FUND S.A.

Incorporated Under the Laws of Panama

Please take notice that the Annual General Meeting of Shareholders of Fidelity Pacific Fund S.A. (the "Corporatioo") will take place at 2.00 p.m. at the Corporation's principal office, Pembroke Hall, Pembroke, Bermuda, on October

The following matters are on the agenda for this 1. Election of Directors. The Chairman of the Board

of Directors has proposed the re-election of the eight existing Directors. 2. Review of the balance sheet and profit and loss

statement for the fiscal year ended May 31, 1982. 3. Ratification of the actions taken by the Directors

since the previous Annual General Meeting.

4. Ratification of the actions taken by the Investment Manager since the previous Annual

Consideration of such other business as may properly come before the meeting.

Holders of registered shares may vote by proxy by mailing a form of Registered Shareholder's Proxy obtained from the Corporation's Principal Office in Pembroke, Bermuda, or from tho companies listed below, to the Corporation at the following address:

Fidelity Pacific Fund S.A. P.O. Box 670 Hamilton 5, Bermuda

8

Holders of bearer shares may vote by proxy by mailing a form of Certificate of Deposit and a form of Bearer Shareholder's Proxy obtained from the Corporation's Principal Office in Pembroke, Bermuda, or from the companies listed below, to the Corporation at P.O. Box 670, Hamilton 5, Bermuda. Alternatively, holders of bearer shares which to a revoke their backers. bearer shares wishing to exercise their rights personally at the Meeting may deposit with the Corporation the certificates for their shares or a Certificate of Deposit therefor prior to the

All Proxies (and Certificates of Deposit issued to bearer shareholders) must be received by the Corporation oot later than 2.00 p.m. on October 21, 1982, in order to be effective at the Meeting Charles T.M. Collin

The Bank of Bermuda Limited Front Street, Hamilton, Bermuda

Fidelity International Management Limited 20 Abstruct Lane, London ECAN 7AL, England

Bank Julius Bar & Co.

Bahnhofstrasse 36, 8022 Zurich, Switzerland

Krediefbank S.A. Luxembourgcoise

FIDELITY PACIFIC FUND S.A. is a diversified international equity investment Company managed by Fidelity International Limited. The investment objective of the Fund is to seek maximum eapital appreciation. The Fund's assets were invested 42% in Japan, 48% in the U.S.A., 2% in Australia and 8% in cash and others at September 1982. The Fund was launched in December 1969, is now valued at \$100m and the share price has risen 833% from \$9.20 to \$85.82 at September 30, 1982.

Copies of the latest quarterly and annual reports can be obtained from Fidelity International

Pembroke Hall. P.O. Box 670, Hamilton 5, Bermuda. Tel: (809) 295 0665

Queensway House, Queen Street, St. Helier, Jersey, C.L. Tel: (0534) 71696

This advertisement is issued in compliance with the requirements of the Council of The Stock Exchance



#### Seagram Distillers PLC

(Incorporated in Scotland under the Companies Acts 1908 to 1917)

Placing of

£50,000,000  $12\frac{3}{8}$  per cent. Debenture Stock 2012 at £99.504 per cent. payable as to £25 per cent. on acceptance and as to the balance by 31st March, 1983.

Application has been made to the Council of The Stock Exchange for the whole of the above Stock to be admitted to the Official List.

In accordance with the requirements of the Council of The Stock Exchange, £5,000,000 of the Stock is available in the market until 10.30 a.m. on 7th October, 1982.

Particulars of the Stock and information about Seagram Distillers PLC will be circulated in the Extel Statistical Services and copies of both documents may be obtained during usual business hours on any weekday, except Saturdays, up to and including 20th October, 1982 from:

> Morgan Grenfell & Co. Limited New Issue Department, 21 Austin Friars, London EC2N 2HB.

Cazenove & Co., 12 Tokenhouse Yard, London EC2R 7AN.

6th October, 1982

de Zoete & Bevan, 25 Finsbury Circus, London EC2M 7EE.

#### Seagram **Distillers** raising £50m

By Ray Maughan

Seagram Distiliers, the wholly owned UK subsidiary of the giant Canadian drinks group, is dated debenture secured on the company's assets.

Linked to a basket of three broadly equivalent gilt-edged £5.48m from £4.89m in the six stocks by a 1.35 per cent months. Interest receivable was margin, the debenture is to taken to dispose of, or otherwise carry a conpon of 121 per cent. The issue price is £99.504 per close, certain loss-making activi-tias within the engineering divicent to give a gross redemption yield of 12.44 per cent. Maturity

hond's recent Like the precursors—the stocks issued by BOC, MEPC and Standard Chartered Bank—payment is on a deferred basis, with £25 per £100 due on acceptance and the balance by the end of March.

Seagram will bave the option of substituting cash equal to the

principal of the stock ootstanding, plus nine months' gross interest, as sole security in place of the security provided by the trust deed.

The accounts for the 12 months to July 31 show net tangible assets of £144.5m. Stocks amounted to £186.47m. Sales of the group's Chivas Regal wbisky, Paul Masson Californian Wines. Mumm champague and other products, climbed by almost £10m to £192.5m but taxable profits slumped by £3m to £3.3m.

The purpose of the issue is to repay variable rate bank debt, sbown at £68.5m, on July 31, and other horrowings some of which were incurred to finance the group's recent expansion in the UK, notably the £12m bottling opened at Paisley last December.

The issue was fully subscribed by Morgan Grenfell and placed through brokers Cazenove and de

#### Alliance and Dublin court bid fails

Dissident shareholders in Alliance and Duhlin Gas Con-Co. bave falled in their court bid to bave the results of last month's EGM declared

The case was brought by businessman Mr Donal Kinsella, who bas tried to remove the board because of his dissatisfaction with the terms of a financial package to equip the company

It is still open to Mr Kinsella to requisition another meeting but the company says it intends to press ahead with a meeting early oext month to put the financial package to share-holders. The Government may also step up its efforts to arrive at an amicable settlement.

#### London and **Continental** 28% increase

An increase of 28 per cent in ore-tax profits from £160,422 to 205,112 bas been shown by London and Continental Advertising Holdings for the first half of 1982. Turnover of this specialist advertising contractor moved ahead from £783,672 to £1.14m.

"The outlook is promising." says Mr John Golfar, chairman of this USM company, "and I anticipate that the results for the year will be ahead of those

In tha last full year pre-tax profits amounted to £318,260 oo turnover of £1.73m. A dividend of 0.15p net was paid and Mr Golfar now states that the company will be able to continue its policy of recommending the payment of an increased

Earnings per 20p share for the six months are shown as improv-ing from 0.49p to 0.63p. Mr Golfar says that last year's acquisitions are continuing to perform well and all the com-pany's divisions have continued nany's divisions have continued to grow. He points out that the successful placing of film convertible stock has strengthened the company's financial basa

#### Yearlings

The interest rate for this week's issua of local authority honds is 10½ per cent, unchanged from last week and compares week's issua of local authority honds is 10½ per cent, unchanged net debt was reduced from from last week and compares with 16½ per cent a year ago. of the disposal programme and the cutback in working capital are redeemable on October 12 and capital expenditure.

# Bowthorpe improves: £9 $\frac{1}{2}$ m cash call

Bowthorpe, the electronic and electrical components group, is raising 19.48m by way of a one-for-10 rights issue at 235p. The new money will be used to fund overseas acquisitions, the majority of the subskilaries of the subskilaries of the subskilaries.

At the same time, the company bas announced a 7.8 per cent increase in pre-tax profits for the six months ended June 30 to £6.05m from £5.61m last to raise £50m on the London year. Sales advanced to £31.3m bond market through a long- from £31m. The interim dividend is raised to 1.673p from 1.521 p. Trading profits went up

£77,000 against £81,000 interest payable last year, while share o profits of associated companies totalled £492,000 (£799,000). Taxation in the six months was £2.84m (£2.53m), while minority shareholders' interest

came to £142,000 (£127,000).

Profit attributable to sbareemerged (£2.95m). The company intends recommend a final dividend oo the enlarged capital amounting

to not less than 2.273p, making a total of 3.946p for the year, or an increase of 15.5 per cent on last year's dividend, adjusting

The majority of the subsidiaries and divisions in the UK increased their profit contribution and order intake in the six months, but the company did not pro-vide sectoral figures.

The performance of Tyton Corporation in the U.S. continued to improve, the company stated, but this was more than offset by a downturn in South Africa and Australia, Overall, there was a slight fall in total profit contribution from overseas subsidiaries.

The drop in income from the company's associates is largely due to a significant drop in profit contribution from France. The. Japanese associated showed an improvement in the period. Group profit for the six months

HIGHLIGHTS

The highlight of yesterday's financial news was the money supply figures for the month to mid-September, which show a I per cent increase in sterling M3 taking it to near the top of the target set by the authorities. Lex discusses these figures and goes on to consider the £50m debenture issue by Seagram Distillers which has an unusual feature in that security may be transferred to cash during the life of the issue. The column also looks at Sears Holdings' mid-year figures and British Telecom's decision to rationalise production of the System X electronic telephone exchanges.

shed just 7p on the day. The integrated into Bowthorpe's well group has been oblivious to the developed export markets. The recession, in fact its return on capital employed has been over capital employed has been over since and should take place to the trading margins have topped 17 spring. In the meantime, Bow per cent in the same period. thorpe will have a balance shee Bowthorpe provides lower technique with £5m in short terr nology components to the people who make higher technology defence, serospace and electrical was also affected by currency exchange losses by about £65,000.

• comment

Bowthorpe's shares have enjoyed a pleasant retrating in the last year. From 172p just a year ago, the shares stood at £82p before

defence, aerospace and electrical result of between £12.5m.£13r indicates a fully-taxed multiple of more than 19, using the exchange customers. It is not surprising, therefore, ing for the new shares. The higher technology companies in yield of 2 per cent, which is touch more generous than the contract of the shares stood at £82p before

vesterday'e announcement and These businesses will be the acquisitions now under securities and more than Par in cash. A full year pre-ta-result of between £12.5m.£13r

# Cape Industries dives: interim cut 2.2p

SHARPLY LOWER pre-tax second quarter of the year, prospendits of £1.91m, compared with pects now "seem less good." Compensation continues to be end results were announced in profits of £1.91m, compared with £3.29m, are reported by Cape Iodustries for the six months to June 30 1982 and the net interim dividend is being cut by 2.2p to 1.7p per 25p sbare—a final of 1.7p was paid previously.

The figures were struck after much higher interest charges of £2.31m, compared with £1.52m.
Turnover was little changed at £112.52m, against £113.13m—the group's interests are in fire protection, insulation and other building products, industrial and domestic iosulation contracting. brake linings and the distribution of automotive components.

Mr C. A. Higham, the chairman, says although the results

show some worsening over the corresponding figures last year, by comparison with the second half of 1981, when a taxable loss of £1.1m was incurred, they show there has been some improve-ment during the last six months. He adds that this was achieved almost entirely through higher

efficiency since, as anticipated in his last annual statement, there has been little, if any, improvement in business conditions. He comments that after some slightly encouraging signs in the

Apart from interest charges first half profits were subject to depreciation of £3.97m (£4.12m).

Tax paid totalled £263,000 (£176,000 credit) and after minorities of £13,000 (£9.000) and extraordinary debits of £182,000 (£1.03m) profits attributable to shareholders emerged £975,000 behind at £1.45m. From this interim dividends absorb interim dividends absorb £510.000 (£1.17m). Stated earnings per share are

given as falling from 11.5p to

It is pointed out that foreign currencies were converted at rates of exchange ruling at June 30 and comparative figures for 1981 bave been adjusted to reflect the rates ruling at December 31 1981.

Higham says construction activity in the UK remained at about the same depressed level as last year and sales of building products reflected this. The insulation business, which suffered a severe decline both in volume and price levels in the slight signs of recovery, but the

comment

Cope Allman's savage hatchet

wielding bas brought about a timely upturn in packaging and

engineering. The traditional profits cushion of the leisure

the U.S., has died away in the

do any more than mark time

hopes for improvement at the operating level must be placed

THE NEW THROGMORTON TRUST P.L.C.
Capital Loan Stock Valuat
5th October 1982

The Net Asset Value of £1 of

paid to those present or former employees who have valid legal claims by reason of exposure in earlier years, provision being made in the accounts on the basis of the estimated aggregate liability in respect of claims lodged and outstanding at each accounting date with any additional provision required being charged against trading profit.

A divisional breakdown of turnover and trading profits (£4.22m, against-£4.81m) shows: building and insulation £58.53m (£88.96m) and £4.42m (£5.3m); automotive £23.69m (£24.17m) and £325,000 (£173,000 loss). Deductions from trading profits were £254,000 (£156,000) for unallocated central charges and Commenting on the results Mr sation for industrial disease. Ligham says construction Added were a share of profits

less losses of associates total-ling £201,000 (£139,000). Cape Industries is a sub-

sidiary of Chartered Consolicomment

end results were announced i March, Cape's shares quick collapsed to 130p, compared 1 the year's high of 190p. Th latest flap over the harms effects of breathing asbests dust, however, sent the shaw spinning down to less than ha that level since then. Yesterday slight improvement on Cape disastrous second-half put ( back on, but at 72p, the cor pany's market capitalisation still a paltry third of net wort Borrowings are slightly up in the period, thanks in part continued efforts to find asbest alternatives. This has meant worrying climo in income gesting to 55 per cent from 31 p cent last year. Provisions f. asbestos claims knocked 10 p cent off trading profits and it size of future claims are real an unknown. Trading improv ments, in the meantime, has been won solely from proof tivity gains. The chairman sa that prospects of the year no "seem less good," so a force for the full-year is impossible. Workers are not the only ones to suffer from asbestos-related comforting 7 per cent.

#### CAI recovers to £1.9m

year will be difficult, Mr L. J. Manson, the chairman, says that given an improvement in the general economic climate, in particular an increase in consumer spending, 1983 should see the beginning of a steady improvement on the group's profitability. He points out that the

the company bas tried to con-tend with a sbort-lived video sustained effort made to divest the less profitable activities, eliminate excess capacity and reduce the group's fixed cost base is beginning to show boom and rapidly changing trends in the gaming machine hiring market. The revival in engineering arising mainly from special steel business in through in its results.

Turnover for the year under review declined from £184.5m to £132.97m. first quarter and packaging demand remains in the doldrums so these divisions are unlikely to

Net interest charges took \$5.27m (\$5.83m) and after tax this time of \$1.41m, compared with a credit of \$884,000 prethis year. The company is look-ing to a new generation of gaming machines to put some life back into leisure but any with a credit of 1882,000 previously, net profits emerged f721,000 lower at £536,000. From this minorities took £186,000 (£288,000) leaving attributable profits of £350,000, against £969,000.

on the second half. Otherwise any gains will depend on lower gearing and interest rates. With profits this time in line with the against £969,000.

Despite a drop in stated earnings per share of 1.56p to 0.89p a final dividend of 1p maintains the net total at 2p per 5p share. The chairman points out that the dividend is uncovered for the second year running.

Commenting on the results he says substantial improvements by the packaging and engineer. downward revised market fore-casts shares rose 1p back to the 1982 high of 45p yesterday for an historic fully taxed p/e look-ing to further recovery near 23, and yielding 6.6 per cent.

by the packaging and engineer-ing divisions were largely offset by a fall in the leisure sector. by a fall in the leasure sector.

The packaging division's sales increased by 20 per cent over 1980-81 and produced a profit of £2.6m following last year's hreakeven. The engineering division's improvement was more dramatic. On only slightly increased turnover, profits improved by 75 per

ceat, The leisure division en-countered adverse trading condi-tions with s rapid decline in popularity of coin operated video games and a weak market for gaming machines.

Capital Loan Stock is 318,99p calculated on Formula 1, Securities valued at middle market prices. LADBROKE INDEX 575-580 (+7)

A full list of issues will be sales and operating profits show: published in tomorrow's edition. packaging £77.81m (£84.61m) and

DIVI	ENDS	ANNOU	INCED	· .	
			Corre-	Total	Total
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. Beckman					
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states and General in	0.7	Nov 24	0.6	_	1.75
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ames Halstead	1.75	Dec 3	1.85	3	2 2.65
ngali Inds:	1.86	Jan 4	1.69	2.75	2.5
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amont Hdgsin	0.4	Dec 6 .	0.4	=	1.2
ears Holdingsint	0.7	Dec 6			2.5 ·
ilentnightint	: 1	Jan 1	1•		2.5*
أحمجهم حساء وأرحمك المالا					

Dividends shown pence per share net except where otherwise stated.

\* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM Stock.

§ Final of not less than 2.273 proposed on enlarged capital by rights issue for 1-for-10.

# NatWest Registrars Department

National Westminster Bank PLC has been appointed Registrar of

#### REED PUBLISHING HOLDINGS LIMITED

All documents for registration and correspondence should in future be sent to:

National Westminster Bank PLC Registrar's Department PO Box No 82 37 Broad Street Bristol BS99 7NH

Telephone Bristol (STD Code 0272) Register enquiries 290711 Other matters 297144

#### M. J. H. Nightingale & Co. Limited ~

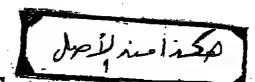
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138	100	Ass. Brit. Ind. CULS	127		5.4	5.0	11.5	14.3
76	B2	Airsprung Group	136 67	_	10.0	7.4	~~	13.1
61	33	Amitage & Rhodes	43		S.1 4.3	\$.1	7.0 4.5	8.4
238	187		238	_	11.4	10.0 4.8	10.0	12.5
115	100	CCL 11pc Cenv. Pref	117	=	16.7	13.4	10.0	12.0
270	240	Cindico Group	264	=	17.5	5.7	10.7	12.0
04	60	Deborah Sarvices	68	- 1	5.0	5.5	4.5	12.1
42	97	Frank Horsell	142	+ i	7.8	5.8	6.0	6.4
83	39	Frederick Parker	69	`_`	6.4	8.3	3.6	6.7
8	46	George Alair	60	- 1	4		S.7	18.1
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24	100	· Isis Conv. Pref	123	_		12.5	-	_
18	94	Jackson Group	117	_	7.5	5.4	3.6	7.5
41	108	James Surrough	141	_	5.6	6.8	10.3	11.5
34	182	Robert Jenkins	182			11.0	2.0	28.9
83	51	Scruttons "A"	80	<u> </u>	5.7	7.1	10.4	12.5
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03	73 ·	Walter Alexander	82	<b>—</b> ·	8.4	7.e	5.9	8.5
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# UNITED BRITISH SECURITIES TRUST PLC

Manager - Robert Fleming Investment Management Limited Secretary - Robert Fleming Services Limited

Interjett att	mar 2 or 1 continue				
		·		Gross Assets	Net Asset
Year	Gross .	Ordinary	Sbares	(less current	Valne per
ended	Revenue	Earned	Paid	liablities)	Ordinary
30th June	£'000	per share	per share	. £'000	sbare
1980	5,382	7.58p*	7.55p*	81.960	183.0p
1981	4.817	6.61p	7.00p	107.208	
1982		6.87p			240.0p
. 1304	5,279	4000	7.000	98,901	221.2p
The earnings	and dividend for	rage meande To	<i>Np in respect</i>	of special incon	ze received.
Salient Points.	in the Chairman	's Statement			•-
Good progress i	las been made in	implementing 1	he policy of l	ecoming a gener	rai overseas
trust with only	38% of the inve	stments in the	UK at 30th I	tna 1982	
Gross revenue	improved by 9.6%	but the impac	t of tavation	on finalm lace	me menitod.
in little charge	to net revenoe.	. DGC	COL INTERMINE	on roughly mean	ne resurren
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The Ordinary of	lividend for the	COLLEGE AGGE A	nn de mainta	ined at its pres	ent rate of
7 pence per sb:	are.				•
It is proposed	that the name of	the Company	be changed	to "The Flemin	R Overseas
Investment Tru	st Public Limited	I Сотрапу."		•	
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\	-upies of me Act	THE WILL WILL	mae lidu a	e negusirurs,	•

Bourne House, 34 Beckenham Road, Beckenham, Kent BR3 4TU



Law still

in the red

COMPARED WITH the second

six months of 1981 the Solicitors'

Law Stationery Society reduced lts taxable losses from £802,000

to £114,000 in the first half of

the current year—it returned profits of £83,000 for the corre-

First half turnover was little

changed at £11.29m (£11.39m)— the group has interests in print-ing, legal services and confer-

In- his interim report, Sir

be no substantial uplift in the

economy in the foreseeable future, the directors carried

future, the directors carried through a further reduction in

He points out that although this will bring significant economies in operating costs the

trading position remains very

competitive and the cost of the redundancy programme has to

economies are expected to show through in the last quarter of

e paid. Substantial benefits from the

In eddition to this further

economy, the group is continu-ing to invest in new technology and the conversion of the main printing facility will be completed by December.

At the annual meeting in May

Sir Edward revealed that trad-ing results for the first two

months were unsatisfactory. How-ever, he said, March and April

had shown a considerable im-provement and that this trend

was expected to continue into

When the Solicitors' Law share

price fell to 14p after its interim announcement yesterday, the

resulting market capitalisation of £1,6m was only just over half of shareholders' funds. And it

is unlikely that the market will

valua this company any more

highly in the near future. Pre-tax losses were £114,000 for the

six months to the end of June, and the company does not see itself breaking even at the full

year. Borrowing is now around

the £2m mark, so by the end of the year, with redundancy costs

to pay for the 150 workers being

lost in the second half, the com-

pany looks set to be very highly

geared. Overhead costs, though will bave been heavily reduced

with the workforce numbering about 900, compared with 1,450

two years ago. And the printing

division will have the advantage of new technology, having just

computer typesetting. Still, nuless demand picks up soon, it

is hard to envisage how the company could make a pre-tax profit until, perhaps, by the end

switched from hot metal

May and June.

comment

this

sponding period last year.

#### J. Halstead advances by 45%

James Halstead Group reports an increase of 45 per cent in-pretax profits to £1.89m. against

"The group's performance has been mainly due to substantial management effort in the areas of product development, improvement in efficiencies in addition to increases in market share in all of the group's operations," says Mr Bryan Morrall, group chief executive.

hief executive.

A final net dividend of 1.75p (1.85p) has been proposed which gives a higher total of 3p against 2.65p previously. Earnings per 10p share are shown to be up from 9.52p to 9.55p. A 1-for 4 scrip issue is also

Tax for the year rose from £208,098 to £754,602. There were increased extraordinary debits this time of £120,181 (£42,285) which reflected reorganisation costs and goodwill written off.

#### comment

Haistead has responded strongly to remedial action. In all activities it has been enhancing margins where competitors have been struggling to make any-thing. Even retail flooring, which has long been running at losses up to £350,000 per annum. is at breakeven and set to be a profit contributor in the current period. Through the eirength of its distribution network and brand names, market shares have bean increased to counter weakening demand. Better cash flow bas belped gearing, now down to 10 per cent and falling. The strong balance sheet and large borrowing facility leaves the group, which is actively seeking an acquisition, well able to shop in the £4m bracket Averoy, the travel company bought August 1981, probably showed a small loss for the 1982 season but its results will not be taken into the profit and loss account for another year for "reasons of the purchase terms." However it is expected to be well into the black next time. Overall, with no scope for price increases, and little more to gain from surgery, organic expansion in the current year must: come from further voluma gains. The flooring division, which accounts for two-thirds of profit, is capturing large chunk of the former Dunlop business which might add £4m or so to sales, Shares yesterday rose to 87p on the results before profit taking which left them down 1p at 83p for a yield of 5.4 per cent.

#### BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are travelly held for the purpose of Considering dividends. Official indications are not mainly on lest year's timetable.

TODAY

Interime: British Syphon Industries, R. Cartwright, Enth, Hembro Life Assurance, Hause of Larose, Laing Properties, Auslin Reed, Rowen, and Boden, Stag Furniture, Francis Summer.

Finals: Ametica, Consumer Electronic Author Consumer Finals: Arthur Bell, Reine Indus

FUTURE DATES	
Interims	
Alpine Holdings	Oct 1
Bank of Ireland	Nov
Comfort Hotels International :	Oct
London Sumetre Plantstione	Oct t
Metal Box	Nov 2
Nesce Investments	Oct t
Rockware	Oct t
Socurities Trust of Scotland	Oct 2
Sieci Brothers	Oct 1
Walker (J. O.)	Oct 1
Finale—	
Burgoss Products	Oct 2
Lylos (S.)	Oct t
Paterson Zochomia	Oct 1
Riley Laigura	Oct 1
niey Laiguis	

# Silentnight down midway

THE WARNING of a downturn (£162,000 adjusted) leaving the in first half profits given by Mr available balance £888,000 lower Tom Clarke, the chairman of at £1.42m—equal to stated earned to the chairman of the first balance £12m. Slientnight Holdings at the AGM in June, has been borne out.

At the pre-tax level they fell by £576,000 to £1.9m for the six t months ended July 31, compared 21.3m, for the year ended June
30 1982. Turnover of this
specialist in floor coverings and
leisure products was virtually unchanged at £22m compared with
£21.35m.
The group's performance has
"The group's performance has year profits totalled £5.11m.
Turnover for the half year under review declined marginally from £36.03m to £35.85m.

Mr Clarke says that the diffi-cult trading conditions and distress selling by competitors he referred to in last year's annual report continued through the first half. However, since the end of June trading conditions bave

improved although he says it is difficult to anticipate whether this improvement will be of sufficient strength and duration to enable the group's profit margins to be restored.

First-half trading profits fell from £2.4m to £2.05m, from which interest charges took £150,000, compared with a £22.000 credit.

compared with a £72,000 credit Tax paid totalled £474,000

ings per share of 3.18p (5.13p adjusted).

Mr Clarke says that despite the severe business conditions during the first balf the group managed to improve its marke share and is now the largest UK manufacturer of beds, upholstery and furniture.
He points out that some reduc

tion in margins was unavoidable in what was perhaps the worst period of the recession. He adds that retail furniture sales are now showing hopeful upward trends in the UK and that the group's order "encouraging."

The chairman says that the opening of the group's new warehouse/showroom complex will undoubtedly belo strengthen its leadership within the industry.

Discussions in connection with the possible acquisition of the bedding interests of Duport are progressing and an announce-ment will be made at the earliest

• comment · · Silentnight was expected to suffer a hiccup in the first-half of the current year, after last year's 68 per cent rise in pre-tax profits

opportunity.

country's largest bedding manufacturer. The share price fell 2p yesterday to 54p. The 15 per cent fall in trading profits was exacerbated by interest charges on the £4m loan capital used to finance the construction of three new factories. One came on stream last week and a second will do so before the end of the financial year. Final profit figures will also be helped by this week's opening of a giant £750,000 showroom-warehouse complex. Consumer demand

throughout the sector was depressed in the first half but Silentnight pushed up its share to about 27 per cent of the bed-Edward Singleton, the chairman, says as it was clear there would ding market and 8 per cent in upholstery. Distress selling by compatitors however kept prices down and lowered profit margins. In the past few months demand has been picking up, encouraged by cheaper credit, and the company itself reports a fuller order book, while increased costs of foam are being passed on fairly painlessly. Assuming pre-tax profits for tha year will reach £5m, close to last year's record figure, the prospective p/e (fully-taxed) is 10. If second-half dividends can be maintained at last year's bigh level (1.5p, adjusted), the yield will be 6.7

# Steep rise in losses at FMC

wholesaler, from £999,000 to £1.66m for the 52 weeks to May 1 1982. Turnover of this sub-1 1982. Turnover of this subsidfary of the NFU Development do indicate some increase in
Trust was little changed at livestock numbers. The group is
£460.45m against £461.85m for presently trading profitably.
The dividend has been supported by the previous 53 weeks.

The dividend has been supported by the previous burning the year the the year

The dividend has been passed -in the previous full year there was a payment of 2p net. Losses per 25p share were shown as climbing from 4.29p to 20.03p, after a tax charge of £136,000 (credit £789,000),
Pre-tax losses were struck
after fixed asset sales of £1.12m
against £176,000 and interest

charges of £2.84m (£2.59m). Associate losses amounted to £84,000 compared with previous profits of £20,000.

Although the directors say it is too early yet to be confident that the autumn rise in meat wbolesalers' profit will reach During the year the company ceased to trada in New Zealand

which reduced borrowing. Retail shops in the Midlands were cold and the company withdrew from pies and frozen foods interests in Calne and Ipswich. The large export licensed plant at Castle Bromwich has been closed and bead office staff have been re-duced. Total workforce has been reduced over the year from 5,300 to some 3,700.

The cost of this programme to make a profitable co of contraction is reflected in the in the next year or so.

The company is maintaining its sales turnover in the main sectors of the business and remains well within borrowing facilities, say the directors.

With the over-capacity prob-lem of the wholesala meat and slaughtering industry still unsolved, it would be imprudent to appear optimistic about the future, they point out. However, the board has

eliminated a great number of activities which had become loss making. Almost all the trading units which have come through records or are considered likely to make a profitable contribution

#### **Recovery continues at Danks Gowerton**

recovery is reported by Danks Gowerton, West Midlands manufacturer of industrial boilers, process plant and steel processors, for the year to June 30 1982. Pre-tax profits rose from £166,815 to £242,369, but turnover was down from £13.61m to £12.12m. There was a first balf loss of £106,000 against £303,000.

Further reorganisation measures, amounced at the balf year, include the decision to discontinue the company's forklift truck business. An extraordinary item in the accounts of £300,304. (£310,000) reflects the costs of these reorganisation measures, say the directors.

A STABLE year with continued of £159,380 in the previous year. The final dividend is unchanged at 0.5p for a same-again total of 0.75p. Earnings per share

rose from 1.987p to 3.018p.

The directors say that through-The directors say that throughout the year the company contained costs and improved margins despite difficult trading conditions. The reduction in turnover was seen in the sales of the engineering division, down at £5.9m (7.45m). The profit improvement in this division is also masked by a loss of 39,861 (profit £12,430) incurred in an activity which ceased to trade at the end of the financial year. at the end of the financial year.

Sales at the steel division were marginally up at £6.2m with a 21 per cent increase in item and tax of £13,629, the trading profit. The elimination group reports a net loss of of interest payments believe pre-£71,564 compared with a net loss tax profits reach £178,345 com-

Mr A. J. S. Roe, the chairman says in his statement: "During a year which began with low levels of activity, and when there has bean little upturn in demand for engineering products, Danks of Netherton has secured orders of sufficient volume to fully load its resources during the major part of the year. This contributed strongly to the move into profitability in the second half." He adds that while tha

demand for traditional products shows little sign of improve ment, the group's opening order book for the current year is better than a year ago, and ing for boiler installations and process plant work is encourag-ing.

#### Clifford's Dairies lower at halfway

the chairman, pointed out in his interim report last year thet were boosted by higher milk margins reflecting an under-recovery of costs in 1980. It now appears that, based on

1982 improved from £26.86m to
£29.97m. Mr Gordon Clifford, half were lower at £1.4m
the chairman, pointed out in bis
interim report last year thet
results for the first half of 1981
were boosted by higher milk
£324,000 to £280,000. Tax was well down at £190,000 (£420,000) and after extraordinary credits of £39,000 (£42,000), ettributable profits emerged at £1.12m compared with £1.25m. the margins allowed by the Government in 1981 were too The interim dividend is raised

FIRST-HALF pre-tax profits at high. He saye this has resulted from 1.5p to 1.8p net and Mr Clifford's Dairies have fallen in an element of claw-back since from f1.63m to f1.27m, but sales the beginning of April this cent increase is intended to reduce the imbalance between the duce the imbalance between the two parts of the annual divi

> Mr Clifford says steps ere being taken to deal with the effects of the changing environment but be does not anticipate an improvement in trading conditions during the remainder of the year.

First-half earnings per 25p sbare fell from 9.95p to 8.86p.



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The Hongkong Bank Group

IBJ International

Merrill Lynch International & Co.

Sumitomo Finance International Union Bank of Switzerland (Securities) S. G. Warburg & Co. Ltd.

#### **TENDER OFFER** Solicitors'

#### September Purchasing Inc.

on behalf of

to purchase 3,000,000 Ordinary Shares of

#### Nu-Swift Industries PLC

at a maximum price of 44p per share

L. Messel & Co.

Brokers to the Tender Offer

To the shareholders of Nu-Swift Terms of the Tender Offer Industries pic.

This announcement is important end requires your immediate attention. If you are in any doubt about the Tendar Offer, please consult your Stockbroker, Bank Managar, Solicitor, Accountant or other professional advisor

Background

September Purchasing Inc. ("SPI") was formed to acquire charges in Nu-Swift Industries p.Lc. ("Nu-Swift") and is jointly owned by Electro-Protective Corporation of America ("Electro-Protective"), and the interests of Mr. Jacques Gaston Murray. Mr. Murray's other interests include control of e group of companies forming the second largest enterprise in France engaged in the manufacture of fire extinguishers end installation of fire protection systems with a turnover of Ff. 180 million in 1981 (Generale Ince Murray elao controls Holmes Protection Inc., the largest privately owned burglar and fire protection company in the U.S. Electro-Protective, which has a company in the U.S. Electro-Protective, which has a listing on The Stock Exchange, London, is a 60 per cent owned U.S. subsidiary of Hawley Group PLC. Electro-Protective provides central station burgler end fire elem services to more than 16,000 customers in the

Between 15th September, 1982 and 1st October, 1982 inclusiva, SPI acquired 2,999,000 Nu-Swift shares at prices of between 37p end 412p per share and consequently if SPI acquires 3,000,000 shares under the Tander Offer, it would own a total of 5,999,000 Nu-Swift shares (equivalent to 29.9 per cent of the issued share capital).

Benefits to Nu-Swift

Following detailed discussions between the Boarda of SPI and Nu-Swift, the Board of SPI is confident that substantial benefite would flow to Nu-Swift as a result of collaboration with SPI and its ahareholders. These benefits, provided the offer by Mosspray PLC does not become unconditional, would include, inter alia, the opportunity to manufacture a number of components for Generale Incendle, the pooling of research end development and the exchange of production know-how. In addition, Generale Incendia is prepared to purchase on e regular basis significant numbers of small extinguishers for sale in Generale Incendie's markets, which would in itself, SPI believes, have en immediate Impact on Nu-Swift's profitability. The discussions have also reveeled areas where there would be other more long-term benefits to Nu-Swift.

In the event of Mosspray'e offer not becoming unconditional, the Board of SPI will be seeking suitable representation on the Board of Nu-Swift.

SPI believe's that In view of the benefits which it and its ahereholders can bring to Nu-Swift, it is in aharaholders' Interests to eccept the Tender Offer and to retain the belence of their shareholding in Nu-Swift in order to ettain the benefits that an association with SPI would bring,

L. Messel & Co. ennounce that, ecting on behelf of SPL, they offer to purchase by tander a meximum of 3,000,000 Ordinary Shares of 5p each ("the stated maximum") of Nu-Swift on The Stock Exchange on the basis set out below.

The maximum price per chare shall be 44p.

Unless tenders in respect of more than en aggregate of 1,000,000 shares (five per cent of the issued ordinary chare cepital) ere received, the Tender Offer shall be void.

Subject to the provisions of paragraph 2 above, all tenders will be irrevocable.

The Tender Offer will close at 3.30 p.m. on 13th October, 1982.

Where a tender is accepted and results in a sale. settlement will be effected between The Stock Exchange member firms concerned (through The Stock Exchange "Telisman" system) on 25th October, 1982, being the settlement day following the Stock Exchange Account ending on 15th October, 1982.

The Nu-Swift shares are to be acquired free from all lians, charges and encumbrances and with ell rights attaching thereto, including the right to receive ell dividende and other distributions declared, mede or poid hereafter, with the exception of the interim dividend of 0.925p per shara declared on 31st August, 1982 which shareholders can retain.

If the number of shares tendered for sale is above the stated maximum, the striking price will be the fowest price at which the stated maximum number of ghares is met and all shareholders who tender at or below that price will receive that price. If necessary tenders made at the striking price will be scaled down pro rata. If the number of shares tendered is less than the etated maximum, tendering shareholders will receive the maximum of 44p per share, subject to paragraph 2 above.

Procedure for Tendering

Nu-Swift shareholders who have accepted Mosspray's offer end wish to eccept this tender should be aware that they can withdraw their acceptance of the Mosspray offer by writing to that effect to National Westminster Benk PLC, New Issues Department, PO Box 79, Drapers Gerdens, 12 Throgmorton Avenue, London, EC2P 2BD.

Sharaholders of Nu-Swift who wish to sell all or some of their shares under this Tander Offer should contact their stockbroker or other financial adviser Immediately. The sale will be governed by the rules and regulations of The Stock Exchange and will be subject to a normal Stock Exchange commission in respect of the number of chares eccepted. Tenders will be held by The Stock Exchange until the Tender Offer closes at 3.30 p.m. on 13th October, 1982.

Tenders by Stockbrokers on behalf of clients and tenders by Jobbers must be lodged in eccordance with the requirements of The Stock Exchange.

All shares tendered must be for guaranteed delivery on 25th October, 1982. In respect of any shares not received by that date, normal Stock Exchange buying-in procedures will be instituted at the earliest opportunity.

6th October, 1982

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#### MINING NEWS

# **ECC** plans rationalisation if £18.8m bid succeeds

of Mixconcrete (Holdings) operations if its £18.8m bid is successful ECC said yesterday. The offer of 195p per share will remain open for accentance until October 26, EEC said in its formai offer document.

The company announced on September 20 that it would be making a bid for Northamptonmaking a bid for Northampton-based Mixconcrete, topping a cent on the 114p Mixconcrete revised 180p offer from market price ahead of the first Australian-owned Pioneer Con-Pioneer offer. ECC will also

ECC aims to link its quarry

1.55p interim dividend for the octivities in the South West and the Midlands by means of the Midlands by means of the Mixconcrete acquisition and is

Mixconcrete (Roldings) by 12.1m.

1.55p interim dividend for the offer price and were an unchanged 1.55p interim dividend for the offer price and were an unchanged 1.55p interim dividend for the offer price and were an unchanged 1.55p interim dividend for the offer price and were an unchanged 1.55p interim dividend for the offer price and were an unchanged 1.55p interim dividend for the offer price and were an unchanged 1.55p interim dividend for the offer price and were an unchanged 1.55p interim dividend for the offer price and were an unchanged 1.55p interim dividend for the offer price and were an unchanged 1.55p interim dividend for the offer price and were an unchanged 1.55p interim dividend for the offer price and were an unchanged 1.55p interim dividend for the offer price and were an unchanged 1.55p interim dividend for the offer price and were an unchanged 1.55p interim dividend for the offer price and were an unchanged 1.55p interim dividend for the offer price and were an unchanged 1.55p interim dividend for the offer price and were an unchanged 1.55p interim dividend for the offer price and were an unchanged 1.55p interim dividend for the offer price and were an unchanged 1.55p interim dividend for the offer price and were an unchanged 1.55p interim dividend for the offer price and were an unchanged 1.55p interim dividend for the offer price and the of

English China Clays (ECC) may also seeking to extend its particlearry out "some rationalisation" pation in the ready-mixed concrete business.

Some rationalisation may be needed at Mixconcrete to restore profitability to an acceptable level but ECC helieves it will also be able to extend the geographical spread of Mixconcrete'a

English China said Its offer market price ahead of the first allow shareholders to retain the

terday that the ECC offer "was not very much in excess of the 180p Pioneer offer which we rejected in the past and cer-tainly not generous in relation to the asset revaluation of 285p." Mixconcrete's board has yet to meet to consider ECC's formal offer document.

Samuel Montagu said it had no indication as to whether Pioneer would increase its offer while Hambros Bank, advisers to Pioneer, yesterday declined to

Mixconcrete's shares continue

## Cement-Roadstone in Holland

lreļand's largest industrial company, has expanded its Dutch DIY retail interests with a £2m (sterling) purchase in Kampuis. The acquisition adds five retail

outlets to Roadstone's existing seven lifting its total retail floor area o 250,000 so ft and making it one of the largest specialist DIY retailers in Holland. In addition to the retail outlets

the new purchase expands the company's builders merchanting Mr Jim Culliton, Roadstone's cast some light on Premier American targets. In the mean-current year were the best Periclas, the loss making time, construction of the could be hoped for.

Cement - Roadstone Holdings. magnesia production operation Limerick dry cement plant will where the Irish company bought out Hepworth Ceramic's half share for £1m last month.

Now a wholly owned subsidiary, Premier continues to trade in the red, albeit at a reduced level. But Roadstone is confident that the Irish Government will remove the hydro-carbon tax which is currently costing Premier £im a year.

Turning to future developactivities in Holland taking it ments, Mr Culliton said the northwards into the lisselmeer company is looking at three polder area for the first time. U.S. Next year the company will

mean borrowings peak out early in 1983. Interest charges on that substantial capital investment and higher depreciation will impact on 1983 figures.

Current trading is slightly worse than at the half way stage, when the company reported pre-tax profits down from I£14.02m to I£10.18m. Then coment sales were down 14 per cent, to date that rate of decline has increased to 15.2 per

Mr Culliton said that he thought outside profit projections chief executive, was also able to be turning its attention to larger of 1£174m (1£26.7m) for the

## Sept. Purchasing in Nu-Swift tender

nounced today that it will seek panies in the Pearson Longman France, West Germany and to tenders for up to 3m Nn-Swift group of expanding involvement certain customers in the UK. tenders for up to 3m Nn-Swift group of expanding involvement Industries sbares-15 per cent of the equity-at up to 44p per

The offer closes on October 13 hut will he vold unless tenders (£1.49m) payable on completion are received for more than 1m sbares. Sbarebolders accepting may retain the loterim dividend of 0.925p declared on August 31, September Purchasing, an Anglo-French consortium, has aiready acquired a 14.9 per cent holding in Nu-Swift, but is in competition with an offer of 40p for the entire Nu-Swift equity from Mosspray, a company controlled by Mr Brian McGillivray, formerly of Rentokil.

#### FINANCIAL TIMES EXPANDS IN U.S.

**Business** has acquired International This is the first acc Reports Inc of New York, a AID has made overseas. long-term development pro- appoint them exclusive distribu- London.

in professional information pub lishing throughout the world, particularly in North America. The purchase price is US\$21m

plus deferred performance related payments. These will be \$300,000, payable in two equal annual instalments if the receipts of International Reports for the calendar years 1983 and 1984 exceed \$2.5m and \$2.75m respec-tively plus further payments totalling a maximum of \$1.05m if those receipts reach certain bigher ceilings in 1983, 1984 and

#### AID IN THE U.S.

Allied International Designers Group has hought for a nominal sum 82 per cent of Business Enterprises Decisions, a market researcher Division of the Financial Times in New York.
has acquired International This is the first acquisition

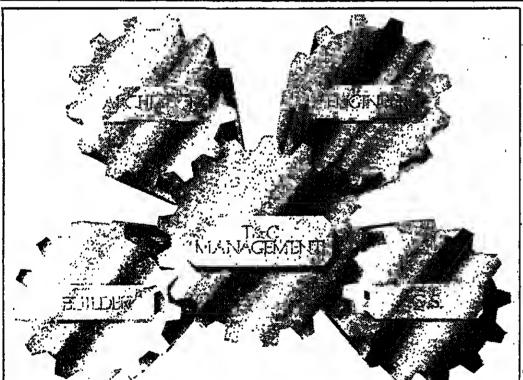
tors for the Husky computer in

#### NASH INDUSTRIES £185,000 DEAL

Western Countles Construction, subsidiary of Nash Industries, bas acquired for £185,000 cash G. J. Furneaux Building Contractors, of Christchurch, Hants, which incurred a pretax loss of £127,000 (profit £40,000) for 1981. In addition to the contracting husiness, Furneaux owns two development sites which are valued at £355,000 in excess of book value.

#### NBI/CASE

NBI, a leading U.S. manufac-turer of office automation turer of office automation systems, has agreed to acquire certain assets formerly owned by Computer and Systems Engineer-Ing (CASE), the NBI distributor for the UK. Case's assets and multiple-title newsletter pub AID has also agreed with employees will be integrated lisber in international finance. UCSL Microsystems, a wholly into an NBI subsidiary which The acquisition is part of a owned subsidiary of Unilever, to currently has two offices in



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THE failure of the Savings and Investment Bank on the Isle of Man, which went into liquidation in Angust, bas forced Pennine Commercial Holdings, previously a major client, to sell land to cash and rearrange its loan facilities.

Pennine, a property and vehicls distribution group based in Manchester, announced yes-terday that it had sold a residential housing estate in Bacup, Lancs, and 12 filling stations in Lancashire and Yorkshire to Dares Estates for £875,000.

A sum of £575,000 has been paid on completion and the balance has been secured on loan notes repayable in five equal instalments of £50,000 annually.

Pennine formally announced that SIB had been holding sub-stantial security against undrawn facilities. The facilities ceased to exist following the withdrawal of the bank's license in June by the lost Treasury authorities. It is understood that the required security amounted to £1.5m while loans stood at under £300,000, but it is not yet clear whether the liquidator still holds or has released the security.

Alternative facilities have now been drawn up with American

Corporation. The collapse of SIB also meant that a small independent oil company was unable to supply petrol to Pennine's filling stations which "caused a substantial cash flow shortfall at

As a result of the disposals of the petrol station chain and land at Bacup, which formed part of the property acquired 14 months ago from Prenwain for £1.6m, the already delayed publication of the accounts for the year to February last will be further postponed. The figures should be announced within the next two

#### LEISURE TIME SUSPENDED

Shares in Leisuretime Inter-ational, formerly the Old national. Swan Hotel (Harrogate), were suspended yesterday at 73p pend-ing publication of reorganisation details. Restructuring is expected to involve Aitken Hume, the fast - moving financial group, which bolds a 12 per cent stake in Leisuretime and whose clients control a further 18.2 per cent.

#### CREST HOTELS SELLS KENILWORTH

Crest Hotels has sold its 210-bedroom Kenilworth Hotel to the Edwardian Group for an undis-closed price. The botel, situated off High Holborn, London, was one of 21 UK Centre Hotels acquired by Bass (parent company of Crest Hotels) when it took over Coreal Leisure late in The Edwardian Group bas five other hotels in London.

#### COMMERCIAL ALUM. CASTLE BRAND

Agreement has been reached whereby Commercial Aluminium Cookware Company of Ohio, U.S., will subscribe for 50,000 new ordinary shares in Castle Brand at a price of 225p per share. Commercial Aluminium, which

holds 500 ordinary shares at present, will hold 25.25 per cent of the issued ordinary share capital following the proposed issue.

Net proceeds, which are expected to amount to approximately £108,000, will be applied to obtain a desirable reduction in the company's net indebtedness and thus contribute to the financial stability necessary to enable the company to achieve proceeds. profitability and growth in the future.

#### CENTRE-FILE

Centre-File, a wholly-owned subsidiary of National West-minster Bank, has acquired Management Accounting and Computing Systems, better known as NACS.

Mr Wallace, Centre-File's managing director, said that in the field of building society data processing the two companies bave been in competition for some time.

#### SEDGWICK/ROSS.

UNDER the acquisition of Ross Collins Holdings, Sedgwick Group has issued 32,479 ordinary shares to the vendors in satisfaction of the second and final instalment of the consideration payable.

#### ICI/PCUK COLOURS

FORMAL agreement for the acquisition by ICI of the colours business of PCUK — Produits Chimiques Ugine Kuhimann—which has been successfully completed with the approval of completed with the approval of the French Government, has been signed by the two com-

# Ashton diamond partners agree on mining plans

BY KENNETH MARSTON, MINING EDITOR

AGREEMENTS have signed by the partners of the big Ashton Joint Venture diamond project in Western Australia which pave the way to the start of commercial mining by the

end of this year. But the decision to go ahead remains subject to Western Australian Government approval of the mining proposals and marketing arrangements which are expected to be submitted

The partners, CRA (56.8 per cent), Ashton Mining (38.2 per cent) and Northern Mining (5 per cent), have agreed with effect from November 1 on the development, mining and management of the diamond interests in the Argyle and Ellendale areas and the con-tinuing exploration in the Kimberley region for diamonds outside the Argyle and Ellendale areas.

The key question, however, has yet to be resolved and this is bow the diamonds are to be marketed. According to an Ashton spokesman the selling arrangements are still heing Express International Binking finalised. The most likely can-didate is De Beers Central Selling Organisation which handles the marketing of over 80 per cent of world diamond production.

the CSO is its guarantee to buy a fixed proportion of a mine's production, whatever the state of the market. As a result the potential. Meanwhile, the next CSO is now having to carry quarterly report from the Ashunsold stocks valued at sometion venture is expected next thing over \$1.5bn (£SS4m) in week.

been order to avoid disrupting the the big currently weak diamond market and to allow mines to stay in

Purchase guarantees would. thus be particularly important at the present time for Ashton, although the operation is expected to begin production oo a relatively small scale of about 2m carats a year before moving up to a full annual ontont of as: much as 20m carats or so by

The bulk of Ashton's output will be in the form of industrial and near-gem qualtity diamonds. It has been recommended that the CSO be allowed to handle all the limited output of gem diamonds plus 75 per cent of the rest of the production. But Northern Mining, which has been carrying out its own investigations into marketing oportunities, has not yet formally responded to this recom-

It also remains to be seen whether such a proposal will be acceptable to those Australian politicians who resent the marketing of the country's diamonds being given to a South African company and, indeed, whether the CSO is prepared to agree to the terms offered. At all events, a firm market-

A major advantage offered by the CSO is its guarantee to buy a sixed proportion of a mine's A\$600m (£337m) Astion project is to achieve its full production

#### BP and BHP to leave S. Australia oil search

BY DAVID BUCHAN

APPLICATION for permission possible three-well, AS35m proto pull ont of a planned deep water hydrocarbon search off-Bight of South Australia has been made by British Petroleum of Australia and Broken Hill

further investment.

gramme. Also interested was a consortium beaded by sbore in the Great Australian dental Petroleum which planned a A\$15m programme in an adjacent area

Very few wells have been sunk in the Bigbt which covers some Proprietary. The companies in the Bigbt which covers some jointly hold a 30,000 square kilo- 200,000 sq km but surveys are metre area, EP 16, with water still taking place in some areas, depths of up to 2,000 metres. In June, Getty Oil was awarded depths of up to 2,000 metres. In June, Getty Oil was awarded
A spokesman for BP is a six-year licence to explore part
reported as saying that some of the Duntroon Basin near
AS2m (fi.12m) has been spent Kangaroo Island.

on seismic surveys since the companies were granted the permit in mid-1980 and the results did not justify any Western Australia. The com-The partners were granted the pany's major development is the permit for six years by the AS5.5bn North West Shelf gas South Australian Government project off the coast of Western which at that time forecast a Australia.

#### September tin outputs

export controls on the world tin mining members of the Intersia's Gopeng Consolidated reports another good monthly production figure.

The output for September of 174 tonnes of tin concentrates makes a total for the financial year to September 30 of 1,8382 tonnes compared with 1,697 tonnes for 1980-81.

DESPITE the onset of the For Mambang Di-Awang, the International Tin Council's tin September production makes a nine-month total of 324 tonnes against 224 tonnes in the same national Tin Agreement, Malay-period of last year. Tanjong's sia's Gopeng Consolidated reduced output of 5½ tonnes for September leaves the nine-month total at 821 tonnes against 1383 tonnes a year ago.

# 109 companies wound-up

Davies in the High Court. They

were:
Barrybell, McGrath Excavations, Gatecell, Sorek Shipping and Europa Trade.
Narroford Properties, Mountbrooke Properties, Resecs, Yorkrose (Builders) and HTH

Deanhall Investments, Glass-cast, Purville, Multicahinets, After Dark Restaurant and

Mausagem.
Shapina, Rustkyn Blake, InterCity Building Contractors, InterResearch Associates city Building Contractors, Interindustry Research Associates
and Clive Exton.

Don Peters, F. B. Dyson (Hayton), Open Zone, Codowar Oilfield Company and Linchpins.

Geoffrey Knowles (Commercial Vehicles), Peterborongh
Paper Manufacturers, NBTM,
Interfluor and SA Forwarding.

Interfloor and SA Forwarding,
Crestbrook Construction,
Creative Marketing Partnersbip,
Frontier Fruit and Nut Company,
Astral Pace and Norwood. Paul Hayward Engineering

Michael J. Cant, Ace Automatic Controls, PKM (Chesterfield) Tempbuild, New Tempbuild, New Forest
Bakeries, Annette's Patisseries,
Arunford and Aydown.
Ultraglen, Underhill (Music
Management), Manmaid Leisure
(Oxford), Universal Heat Pumps
and Tw Fashlons.
Londonline, Manley Steel
Company, Terlingdon, Studorea

Compulsory winding up orders and Reece Bros Transport.

against 109 companies were Dorkass Plumbing and Heatmade hy Mr Justice Mervyn ing Company. DB Plastics, Helming Company. bright, Bracegirdle Harrison (Fencing) and Interstore (Marketing).

Mike Waldron, Clifton Holidays (UK), K and J Damp-Proof Specialists (Warrington), Graybart and Adhesive Industrial Drummond Industrial Con-

tracts, Ralderwood, Range Interiors, Elmex International and Strollrise. Elmark Textiles, Kiog and King Insurance Services, Keen-point, Fair Deal Stores and Liftvale.

Bulk Tip, Hotelon, Twinebrow, Lantina and Quickbell. J and M Tailoring Specialists. Blades Art Studios, Track One, Sainsbury Computer Services (Huntingdon) and Destino. . Your Move, Grimes Haulage, Triplo Liner Agencies (Mid-lands), Rossbrook and Portland

Managements. Anatype, Programmed Heating, Topkey Office Equipment, Dorset Agricultural Machinery and Elephant Tools.

Steelequip (Rochdale), Leaver Hembling and Perry, Hodgelord, County Lithographic Service Company and B. M. and S.

Lesney UK Operations, Mizan Foods, Elephant Metals, Bus and Coach Sales and Joyhill. Dallas Print Transfers, Knights Brooks and Partners and Jeans

#### **HUGH STEVENSON** REDEMPTION

Hugh Stevenson and Sons Intends to redeem at par, plus accrued interest, the whole of the 64 per cent first mortgaga debenture stock 1981/86 for the time being outstanding, totalling

Following discussions with the trustees the Prudential Assurance Co., a circular will be sent to stockholders to approve the early redemption the stock at les than the ree calendar month's notice required by the trust deed.

#### **EUROPEAN OPTIONS EXCHANGE** Vol. | Last | Vol. | Last | Stock

G=Call

Financial Times Wednesday October 6 1982

LONDON TRADED OPTIONS

Total Contracts 1,593 Calls 225 Puts 66? Jan.

Clasing Vol. Clasing Vol.

1275

329p

1128

COLD G \$350; 13 \$55 4 69 80 80 813322  GOLD G \$4350 12 22 23 30 40 6 53 3 "  GOLD G \$4350 108 7.50 7 218 26 538 "  GOLD G \$4351 7 12.50 9 30 4 40 0 "  GOLD G \$455 108 7.50 7 218 26 538 "  GOLD G \$457 8 3.50 9 14 9 17 "  GOLD G \$457 8 3.50 9 14 9 17 "  GOLD G \$450 11 1.50 12 4 5.50 1	П	-	20103	AGI,	CHRE	VOI.	LASE	AOT.	CARE	STOCK
GOLD G 3485 108 7.50 7 21 8 5 8 8 8 6 10 00 10 6 3455 24 2.50 9 14 5 9 17 8 6 10 10 6 3455 24 2.50 20 12 9 17 8 6 10 10 10 10 10 10 10 10 10 10 10 10 10	H	GOLD G	8380	13	65	٠ ۵	-60	50	80 B	18300
GOLD G 3485 108 7.50 7 21 8 5 8 8 8 6 10 00 10 6 3455 24 2.50 9 14 5 9 17 8 6 10 10 6 3455 24 2.50 20 12 9 17 8 6 10 10 10 10 10 10 10 10 10 10 10 10 10	П	GOLD G	\$375	8	85	_	_	-		4046
GOLD G \$450 308 7.50 9 14 28 528 300 00LD G \$475 8 3.50 9 12 3 9 17 3 9	Н	COLD	8400	12		12	40		53	
OOLD G	11	COLD G	8450		7.50				70 0	
GOLD G \$550 22 2.50 20 12 9 17	I	OOLD G	8475	a	3,50	. 0	14	_	-	
COLD P \$350 50 6 85 13 117 17	H	COLD	3500	Ωa	2.50	20	12	9	17	
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C F.112.50	и	COLD P		-	$[1 \cdot - ]$	a	68	10	70	
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C F.105 100 0.80 — — — — — — — — — — — — — — — — — — —										
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C F,102,501 —   —   100   0,40   —   F,99,80    ABN C F,340 —   —   3   8,50   —   F,225    ABN O F,250 —   —   22   1,20   10   3,20   F,26,30    AKZO G F,27,80 —   —   22   1,20   10   3,20   F,26,30    AMRO P F,35 —   —   22   1,20   10   1,250    AMRO P F,45   4   7,50   —   2   1,2   2,50    AMRO P F,50   2   12,50   —   —   2   2,60    HEIN P F,70   2   3,80   —   —   —   F,66,20    HEIN P F,70   2   3,80   —   —   —   F,66,20    HEIN P F,70   2   3,80   —   —   —   F,66,20    KLM G F,90   18   0,40   02   5,30   25   0    KLM G F,90   18   0,40   02   5,30   35   2      KLM G F,100   —   —   60   0,60   3   2    KLM P F,100   2   4,20   1   6,80   3   2    KLM P F,100   2   4,20   1   6,80   4      KLM P F,100   2   4,20   1   6,80   —      NEDL G F,110   —   —   2   2   3   2      NEDL G F,110   —   —   3   3   3      NEDL P F,110   8   5,40   5   3   —      NATN G F,115   —   10   0,70   —      NATN G F,115   —   10   0,70   —      NATN P F,116   2   0,40   1,40   21   1,60      NATN P F,116   3   0,40   1,40   21   1,60      PHIL C F,22,50   17   3,20   1   2,40   —      PHIL G F,27,50   —   0   0,40   1,40   21   1,60      PHIL P F,25   —   0   0,40   1,40   21   1,60      PHIL P F,25   —   0   0,40   1,40   21   1,60      PHIL P F,25   —   0   0,40   1,40   21   1,60      PHIL P F,25   —   0   0,40   1,40   21   1,60      PHIL P F,25   —   0   0,40   1,40   21   1,60      PHIL P F,25   —   0   0,40   1,40   21   1,60      PHIL P F,25   —   0   0,40   1,40   21   1,60      PHIL P F,25   —   0   0,40   1,40   21   1,60      PHIL P F,25   —   0   0,40   1,40   21   1,60      PHIL P F,25   —   0   0,40   1,40   21   1,60      PHIL P F,25   —   0   0,40   1,40   21   1,60      PHIL P F,25   —   0   0,40   1,40   2,40      PHIL P F,26   —   0   0,40   1,40   2,40      PHIL P F,26   —   0   0,40   1,40   2,40      PHIL P F,26   —   0   0,40   1,40   2,40      PHIL P F,26				-40	W. GO	_		_		100
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			=Asked	0=Bi	đ	G=	Call	P	=Put	
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#### BASE LENDING RATES

Banco de Bilbao 104%
BCCI 104%
Bank Hapoalim BM 104%
Bank Hapoalim BM 104%
Bank of Irelaud 104%
Bank Leumi (UK) plc 104%
Bank Street Sec Ltd. 12%
Bank Street Sec Ltd. 12%
Banque du Rhone 11%
Banque du Rhone 11%
Beneficial Trust Ltd. 114%
Bremar Holdings Ltd. 114%
Bremar Holdings Ltd. 114%
Brit Bank of Mid. East 104%
Brit Bank of Mid. East 104%
Brown Shipley 104%
Canada Perm't Trust Ltd. 11%
Cavendish G'ty Tst Ltd. 11%
Cayzer Ltd. 11%
Cayzer Ltd. 11%
Cedar Holdings 11%
Charterhouse Japhet 104%
Choulartons 104%

Choniartons 10/%
Cithank Savings 11/%
Clydesdale Bank 10/%
C. E. Coates 11/%
Comm. Bk of N. East 10/%
Comm. Bk of N. East 10/%

Consolidated Credits... 1016 Co-operative Bank ...\*1016 Corinthian Secs. .... 1016 Corinthian Secs. 10106 The Cyprus Popular Bk. 10106 Duncan Lawrie 104%
E.T. Trust 104%
Exeter Trust Ltd. 111%
First Nat. Fin. Corp. 13 %
First Nat. Secs. Ltd. 124%
Robert Frascr 111%

Grindlays Bank

Hambros Bank 10%
Hargrave Secs. Ltd. 210%
Heritable & Gen. Trust 10%
Hill Samuel 310%
C. Hoare & Co. 10%
Hongkong & Sbanghai 10%
Kingsnorth Trust Ltd. 12%
Knowsley & Co. Ltd. 11%
Lloyds Bank 210%
Matiinhall Limited 10%
Edward Manson & Co. 12%
Midland Bank 210% Midland Bank .....a101% ■ Samuel Montagu ..... 104%

Morgan Grenfell .....2101% National Westminster 101% Norwich General Trust 10!% P. S. Refson & Co. ..... 101% Roxhurghe Guarantee 11 % Slavenburg's Bank 104% Standard Chartered 1101% Trade Dev. Bank ..... 101% Trustee Savings Bank a101% TCB 104% United Bank of Kuwalt 104% Volkskas Intl. Ltd. 104% Westpac Banking Corp. 114% Whiteaway Laidlaw 114%

Whiteaway Laidlaw ... 11 % Williams & Glyn'a ..... 101% Wintrust Secs. Ltd ... 11 % Yorkshire Bank .....a101% Members of the Accepting Houses

7-day deposits 7.25%, 1 mentil 7.50%. Short-term £8.000/12-months 9.85%.

7-day deposits on sums of: under £10,000 74%, £10,000 up to £50,000 2%, £50,000 and over 8%%. Call deposits £1,000 and over 71%. 21-day deposits over £1,000 87%. Demand deposits 74%. Mortgage bace rate Effective from close of 31 August 1982

**BERMUDA** CORPORATE MANAGEMENT SERVICES Directors of a leading Bermuda Management Company will be present in London 5th-8th October to review existing

client requirements.

U.K. Companies, Trustees and Professional Advisers who wish to consider establishing a substantive and identifiable offshore presence in Bermuda are jovited to take this opportunity to meet the Bermudian representatives at their European Office in London (Mayfair) to discuss the full range of specialised facilities now available in Bermuda for offshore financial services and corporate management.

> For an appointment please telephone: Clare James on 01-409 0825

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**HANGE** 

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Companies and Markets	WORL	D STOCK MAR	KETS	- And May	
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Avnet	dartin-Pilot   279   971   devel Cos   301   401   devel Cos   301   devel C	See   174   174   175   175   176	mearly 9 HK\$9 and Hutchison W HK\$1.10 to HK\$9.80.  Porarily In the Property sector, tipn of Kong gained 90 cents to not caping the and Swire Properties 70 HK Land 55 cents to ming the and Swire Properties 70 HK\$5.20.  North Tokyo  Itablat Exacts closed slightly is balance with Blue Chips balan	Vast Germany's economic difficulties, the mood of the market is by no means as eupboric series by no means as eupboric series is by no means as eupboric series by no means as eupboric series, the mood of the market is by no means as eupboric series, the mood of the market is by no means as eupboric series, the mood of the market is by no means as eupboric series, the mood of the market is by no means as eupboric series, the mood of the market is by no means as eupboric series, the mood of the market is by no means as eupboric series, the mood of the market is by no means as eupboric series, the mood of the market is by no means as eupboric series, the mood of the market is by no means as eupboric series, the mood of the market in the market is by no means as eupboric series by no means as euphoric series by no means as euph	Continuing the on Friday, Election of Friday, Election of the strongest gain were steady-to-fir said there was on for the shout-turn of steady declins of the shout-turn of steady declins of the shout-turn of steady declins of changes in the man stocks traded round of the shout-turn of steady declins of the shout-turn
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113.45 113.95 114.01 113.90 130,29 (26/1)

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SWITZERLAND Swiss Bank Con. (51/19/68) 286.1 (254.5 252.8 251.7 255.1 (11/1)

180.15 150.89 162.97 165.85 212.88 (19/6) : 147.25 (22/7)

107.45 (3/2) -

FRANCE

JA General (51/12/61) 58.4 98.5 98.50 89.2 111.5 (12/6) 11d Tendance (51/12/61) 114.1 | 114.50 | 114.20 | 114.5 | 124.5 (12/6)

GERMANY FAZ-Aktien (51/12/65) 254.57 254.41 254.54 255,68 272,45 (3/4) Commerzbank(Dec1565) 711.1 1 797.69 701.25 797,5 729.8 (5/4)

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108.57 (18/9)

214,08 (17/6) 658,2 (17/6)

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Belgian SE (81/12/68) DENMARK

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Oslo 3E (1/1;72)

SOUTH AFRICA Gold | 1558) Industrial | 1556)

SWEDEN

WORLD. apital Intl. | 1/1/78)

SIHGAPORE Straits Times (1988)

FPAIN Vadrid SE (83/12/61)

acobson & P. (1/1/68)

Oct.4 Sept. 97 | Sept 17 Year agp (Approx

(21/91 (12/8)

| Stocke Closing on traded price day | Woolworth | 544,500 | 25° | - 12 | 518,400 | 35°4 | - 12 | 518,400 | 74°2 | 4 °4 | 548,500 | 27° | - 12 | 518 | 518,500 | 27° | - 12 | 518 | 518,500 | 27° | - 12 | 518 | 518,500 | 27° | - 12 | 518 | 518,500 | 27° | - 12 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518

5,50

7,94

15,0B

1,883 1,885 1,001 535 503 950 577 403 83 35 5 5

5.15

e 🕏

5.00 5.92 5.94

Oct. Oct. Sept. Sept. Sept. Sept. High Low High Low

Sept. 66 ; Sept. 29 . Sept. 15

6.16

9,09

#Industria ... 165,54 768,19 184,45 185,97 187,84 188,85 189,97 114,88 160,88 3,52 \$Comp's'te 121.51, 121.67, 128.41 121.65, 128.24, 125.52, 124.23, 102.42 140.52 4.487

5,29

1982

High | Low

TORONTO Composite | 1678.10| 1881.81 1802.8- 1812.51 1946.3 (4.1)

Stocke Closing traded parce 2.806,100 41½ 1.037,400 35½ 984,900 57 791,000 29¼ 672,600 85½

11.53 11.61

Oct. Oct. Sept. Sept.

288.81 288.50 285.40 286.08 552.79 (4.7) 278.51 274.85 277.35 278.69 516.08 (4.1)

NEW YORK ACTIVE STOCKS Chenge

STANDARD AND POORS

ndust'i div. yleid 🏅

Long Gov. Bond yield

NY. S.E. ALL COMMON

69,77 70,01 69,15 69,78

MONTREAL

Indust's PrE ratio

openhagen SE (1/1:76)

#### TOCKS MOVED upwards THE AMERICAN SE Market on light profit-taking prompted with Hoechst and Bayer off 0.90 wards mid-session yesterday. Value Index rose 1.60 et 282.85. by the yen's sharp fall against at DM 108.30 and DM 108.80. Turnover was about 2½m shares. the dollar and the overnight drop on Wall Street, dealers said. Canada points at 911.33. Stocks were slightly higher at to close at 6,932.12 and the midsession, with Resource issues posting modest advances. The Toronto Composite Index was up 5.7 points at 1,583.9 on Some analysts suggested that any investors were encouraged y the market's ability to move orward in spite of a technically verbought condition. When the tarket started moving ahead at The Toronto Composite Index was up 5.7 points at 1,533.9 on turnover of 2,517m sbares, Advances led declines 170 to 141

#### second market declined. Singapore

selective buying from domestic investors.

But with Monday's rise in unemployment and drop in industrial production underlining West Germany's economic difficulties, the mood of the market is by no means as euphoric as some dealers had expected under some dealers had expected under said there was on clear reasos. a centre-right government.

Prices were mixed with an easier bias in quiet trading. Dealers said reperal pessimism over the state of both the international and the domestic economy had a segative influence on trading. The sustained arrength of the dollar against the franc depressed the foreign exchange markets.

Air Liquide fell FFr 5 to FFr 445, in spite of the announcement of slightly higher first half gross profits, and L'Oreal, which reported a rise in net profits in the first half, fall FFr 4 to FFr

The Stock Brokers' Association anppunced during trading the suspension of Dunlop SA shares pending investigation into a take-over bid, but no further details

#### were given. Brussels

Belgian and foreign share prices were higher in lively trading, with the Industrial Index rising to 102.07 from 101.30 on Monday, and the Ali-shares Index to 222.41 against 221.31.

The strength of the dollar encouraged buyers zcross a wide range of Belgian sheres, with sentiment also boosted by Germany

The market closed steadier as ment of its 1983 hndget plans.

#### Spain

Shares firmed in fairly active

said there was oo clear reasos for the about turn after weeks of steady decline and so basic changes in the market. Stocks traded ross to 140 from 133 on Friday, with 35 rises, 14 falls and 91 unchanged.

IAPAN (Continued)

Price Yen

	Stock '	Oct.	Oot.	Oct. 5	Pros	+ 61	Oct. 5	Price	+ 01	5 et. 5	Aust. 5	+ 61	Oct. 3	Yen	
	AMCA Intl.	174	1770	Andelabanken	118		Gist-Brocades	85,4		AHZ 570UP	1.40	+0,03	Kumegal	335	+1
	Aprilo Fague	174	171g 157g	Baltica Skand CopHandelsbenk	197,0	+3	Heineken	15	+1	Assoc Pulp Pap	1,55	-0,02	Lion	. 333	+1
1	Algoma Steel	25 26 11	254 254 11	O, Bukkerfeb Danske Bank East Asiatic	127,0	+ 12.2	int Mulier	15.2	+0.5	Aust. Cons. Ind Aust. Guarant	1.30	+0.05	Makita	975	3
	Sk Montreal. Sk Hove Scotia.	2054	207s	Forende Brygg Ferende Damp	520	+2	Haarden	21.3	-0.5	Aust. Nat. Inda	1,75	-0.02 -0.04	Ma ul	875	-2 +18
	Basic Resources,	1,82	1.98	GNT Hidg	175	+8	Hed Cred Bank	24.5 105	+0.5	Blue Ficte:	1,05	-0.02	M'ta Slee Werks	1,080	20
	Sow Velley	1 104	191 <sub>6</sub>	Herd Kabe(	1.232	+8,4	Ned Lloyd	155	-0.3 + 4 +5,1	Bourarville arembles Inds	1.49	5,84 0.02	M'bishi Bank M'bishi Jerp M'bishi Eleet	. 473	2 5
	Brascan A	15rg	154	Pepirfabrikker Privatbanken Provinsbanker	20 122,2 117		PakhoedPhilips	56,3	-0,4	Brid-e -41	2,62	-0.08 -0.02	M bishi Estate	402	-2 -1
	B. J. Forest.	710	75a 191a	amidth (F.L.)	100	+0,8	Rijn-Scheide	27 2	14	Brunswick Cit	0.15	-0,91	Mitsui Real Est.	585	-9
	CadillecFairview Can Coment	10	1p	Superfos		111 491	Rodamco	210 B	+5.2	Cariton & Utd.	1,98	-0,01 -0,07	Mitsukoshi кСК Iлsulators	465	-4
	Can MA Evelda	1 90.4	374				Royal Outon	87.5		Castlemaine Tys ockburn Cemt.	5.77 1,22 8,29		Hippon Cakki Нippon Gakki	664	<b>—10</b>
	Can Packers Can Trusco Can (mp Bank	2014	851g 281g 811g	FRANCE			Stavenburg.s Tokyo Pas H2 Unilever	180	-0.3 -1 +1.3	Consolidated Pet	8.05	-0.03 -0.02	Rippon Ol	795 595	-4
Ì	Can Pacifie	154	2934	Oct. 5	Price	+ or	Viking Ra	102	+D.3	Costain Dunipp	1.40	-0.01	Nippon Steel Hippon Zulsan	214	-2 +1
ı	Can Tire	48	41	Emprunt 44% 1878	1 815	+10	Wost Utr Bank	45.7 78	0,5	Endeavour Res	9,79 5,17	+5.02 +5.01	Nippon Yusan	. 204	
1	Cominoo	454	44	Emprunt 1% 1978.	7,990 3,050	<del>-9</del>		1 )		Gen. Prop. Trust Hartogen Energy	8,04	-0.11 -0.11	Nissan Motor Hisshin Flour Hisshin Steel	310	3 2 1
١	Cont Batest A Cont Bk, Canada Cosaka Res	84	1588 819 3,40	Acquitaine	98	5	ITALY			iCi Aust.	1.65		Hemura	398 1,130	+1
١	Coetain Daon Devel	4.70	5.85	Au Printempa	415 791	+1.8	Oct. 3	Price Lire	+er	Jones (DI	1.75	+5.01	Pioneer	1.93P	+60
1	Dome Mines.	15 la	22 114	Benygues BSN Gervals Carrefour	1.472	+1 3 15	Assiour Gen	112,225	1125	Leonard Dil	6.E5	+P.81	RenewnRicch	511	14 2
1	Dome Petroleum Dom Feundries		524	Club Mediter	490 535	_5 _9	Baston IRBS	82,800 83.4	-0,8	Mcekatherra Mcridian Oll Monarch Pet	9,43 5,15 5,07		Sapporo Sekisui Profab	397	_4 _1
J	Dom Storse	17	171	Cle Banceire	195	5 5	Gredito Varesino	4,760	-115 -21 -5	Myer Emp Hat Bank	1.40	-0.07	2harp	959 954	-6 -1
1	Faicon Nickel Genetar	1134	4514 1178	Colimeg	181.1	+5	Finelder	2,200	+0.2	Hews	1.95	-0,1	Stanley	630	- <u>e</u>
1	Bulf Sanada	15	1.05 151	Creusot Loira	52.7 97.1 41.4	+5.1 1.2 +0.1	Mentedison	93	-430 -5	Oakbridee	1.65	-0.85 58.0-	S'tomo Marine Taihei Pengyo Taisei Corp	440	-1 -2
ı	Gulf Stream Res. Hawk Sid. ('an Hollinger Argus	124.	1.50 1914 27	OHEL. Dumez. Gen. Oocidental.	020,0	-1 +7,5	5 livetti	2,000 2,550	+17 -23	Pancon Pan Paoific	5.48	<u>-0.2</u>	Talshe Pharm	606 750	+8 -8
ı	.tudson say Mno!	184	144	Lafarpe	43.3 805.5	+1.1	9nie Viscona Tero Assic	538 15 900	-15 -10	Pleneer Co Queen Marc'l 5.	1.43 5.17	-0.02	TOK	. 189	-30 +6
	Hudson'e Bay	7,12	7.12	L Dreat	972	+5	de. Prer	7,501	199	Reckitt &Colmani Santos	5.58	-0.04	Telkoku Dil Tokie Marine	411	10 2
1	Imasco	67a	9714 11	Legrand Machinas Bull Matra Michelin B	1,680	-0.5 -70 -7	NORWAY		1	Southland Min'g. Spargos Expl	0.79 0.32 P.27		TBS Tokyo Elect.Pwr. Tekye Gas	809	5 3
- 4	Indal	15	15	Moulinex	23.B	- è .		Price	+ er	Thos. Natwide	1,43	-0.07	Tok. e Sanye Tekyu Gerp	410	+8
1		2034	9010	Perrier	356 170	+2		Kroner		UMAL Cons	2,80 1,90		TOTO	397	_2 _2
ı	Marks & Spencer	9,25	71 <sub>2</sub> 9.22	Peciain	62.5	-0.3 -2.8		104 107 18e		Waitens	0,10 0.59 3,15		Toye Selkan Teyota Moter Victor	2 570	+9
1	Mointyre Mines. Mital Corp Moore Corp	914 404	284 913 401	Radiotech Redoute Roussel-Uelaf	351 938 918	+5.8 +10 -4	Elkem	- 49	+1	Woodside Petrol	2.72 0.81 :	-0.01	Yamaha	545	5 +4
1.	Hat. 9es Prode A	759	744	9kis Rossignol Telemech Elect	740	-7	Koemos Norsk Hydro Storobrand	974 175	+5		1.91 2.82	+0.04	Yamazaki Yasuda Fire	211	2 3
Į	Hthn. Telecom			Valeo	101	+ 0,5							Yekogawa Bdge.	408	+1
	Paulfic Copper	14	141	GERNAANDY .			SPAIN		1	HONG KONG					
	Pan. Can. Pet									DONG KONG			A-4 E		
-11	Patino	12	87 1e	GERMANY			Oct. 5		+er		Price	+ er	Oct. 5	Price .	+ er
	Patino	12 15% 10%	16 154	1	Price	+_or	Bco Bilbao	275	+ er	Oct. 5	H.K. 9	+_er	Spustead Bhd	1.52 3.58	-0.86 -0.94
	Patino	12 154 101 4,40	87 16 154 10% 4,50	Oct. 5	5e	-0,2	Bco Bilbao Bco Central Bco Exterior	275 240 205	+ <u>e</u> r	Oct. 5 Cheung Kong	H.K.9 8,85 1,55	+4,0	Spustead Bhd 201d Storage DBS	1.52 3.58 7.80 5.75	 
	Patino	12 15% 10% 4,40 512 11%	87 16 1514 10% 4,50 83e 1112 5212	Oct. 5  AEG-Telef	56 450 115,3 108,8	-0,2 +0.5 -0.3 -0.9	Bco Bilbao Bco Central Bco Exterior Bco Hispanp Bco Santander Bco Vizcay5	275 240 205 282	+ er 	Oct. 5  Cheung Kong Cosme Prep Gross Harbeur Heng Seng Bank. HK Ejectric	8,85 1,33 10,5 43,5 4,6	+4.0 +1.5 +0.45	Spustead Bhd	1.52 3.58 7.80 5.75 2.10 2.10	
	Patino	12 15% 10% 4,40 51g 11% 55 614 14	57 10 1514 10% 4,50 836 1112 3212 8115	Oct 5  AEG-Telef	56 450 115,5 108,8 228 874,8	-0.2 +0.5 -0.3 -0.9 +1 +0.7	Bco Bilbao Bco Central Bco Exterior Bco Hispand Bco Santander Boo Vizcayō Oragados Hidrola	275 940 205 292 213 285 99 52,0	+3 +2 +2,3	Oct. 5  Cheune Kong Cosme Prep Gross Harbeur Heng Seng Bank. HK Ejectrio HK Kewloon Whi	8.85 1.33 10.5 43.5 4.6 3.10 5.83	+4,0 +1,5 +0,45 +5,5 +3,5	Spustead Bhd	1.52 3.58 7.80 5.75 2.10 2.10 5.80 4.84 7.70	-0.86 -0.64 -0.85
	Patino. Placer Dev	12 15% 10% 4,40 512 11% 55 e1%	87 10 1514 1066 4,50 836 1112 3212 8118 14	Oct. 5  AEG-Telef	56 450 115,5 108,8 228 874,8 198,8 198,8	-0.2 +0.5 -0.3 -0.9 +1 +0.7 +5.8	Bco Bilbao Bco Central Bco Exterior Bco Hispan Bco Santander Bco Santander Bco Vizcayō Oragados Hidroia Borduero Petroleos Bco Santander Bco Georgia B	275 940 205 282 213 285 99 52.0 44.0 62.5	+3 +2 +2,3 +8,8 +0,3	Cot. 5  Cheuns Kons Cosme Prep Gross Harbeur Heng Seng Bank. HK Electrio HK Kewicon Whf HK Land HK Shanchal Bk. HK Shanchal Bk. HK Ushonene	8.85 1.33 10.5 43.5 4.6 3.10	+4.0 +1.5 +0.48 +8.5 +8.0 +1.0	Spustead Bhd	1,52 3,58 7,80 5,75 2,10 2,10 5,80 4,84 7,70 1,77 4,5	-0.98 -0.94 -0.95 +5.91 -0.62
	Patino. Placer Dev	12 15% 10% 4,40 512 1112 55 614 14 75% 75% 6178	57 10 154 106 4,50 836 1112 3212 8114 8 75 8134 1812	Oct 5  AEG-Telef	Pm. 56 450 115,3 108,8 228 874,8 198,8 196,2 207,5 166 52,5	-0,2 +0,5 -0,3 -0,9 +1 +0,7 +5,8 -2,5 +5,5	Bco Bilbao Bco Central Bco Exterior Bco Hispan Bco Santander Bco Santand	275 940 205 282 213 285 99 52.0 44.0 62.5	+3 +2 +2,3 +8,8 +0,3	Cot. 5  Cheung Kong Cosme Prep Gross Harbeur Heng Song Bank. HK Ejectrio HK Kewicon Whit HK Land HK Land HK Hanno hai Bk. HK Telephene Hutchison Wpa. Jerdine Math New Werld Dev	8,85 1,35 10,5 43,5 4,6 3,10 5,83 8,4 25,8 0,5 15,5 15,5	+4.0 +1.5 +0.65 +8.5 +8.0 +1.0 +1.1 +1.1 +1.5 +P.15	Spustead Bhd	1.52 3.58 7.80 5.75 2.10 2.10 5.80 4.84 7.70 1.77 4.5 3.38	-0.98 -0.94 -0.95 +5.81
	Patino. Placer Dev	12 15% 10% 4,40 518 1118 55 614 75% 61% 14 75% 75%	57 10 15 14 10 16 4 15 0 11 12 52 12 81 14 8 75 81 14 18 12 7 15 11 14	AEG-Telef	5e 450 115,3 108,8 228 874,8 198,8 1	-0,2 +0,5 -0,3 -0,9 +1 +0,7 +5,8 -2,5 +5.5	Bco Bilbao Bco Central Bco Exterior Bco Hispan Bco Santander Bco Santander Bco Vizcayō Oragados Hidroia Borduero Petroleos Bco Santander Bco Georgia B	275 940 205 282 213 285 99 52.0 44.0 62.5	+3 +2 +2,3 +8,8 +0,3	Cot. 5  Cheung Kong Cosme Prep Gross Harbeur Heng Seng Bank. HK Electrio HK Kewicon Whit HK Land HK Blanchal Bk. HK Telephene Hutchison Wpa. Jerdine Math New Werld Dev 5 seas Trust 8k. SHK Props	H.K. 9 8,85 1,35 1,05 43,5 4,6 3,10 8,8 25,8 6,8 15,5 8,2 15,5 8,2 15,5 8,2 15,5 8,2 15,5 8,2 15,5 8,2 15,5 8,2 15,5 15,5 15,5 15,5 15,5 15,5 15,5 15	+4.0 +1.5 +0.48 +8.5 +3.5 +8.0 +1.1 +1.5 +0.65 +0.65	Spustead Bhd	1.52 3.58 7.80 7.80 2.10 2.10 5.80 4.84 7.70 1.77 1.5 3.38	-0.98 -0.94 -0.95 +5.91 -0.92 -0.08 +0.02
	Patino	12 15% 10% 4.40 512 55 6112 75% 75% 6178 18% 7.57 5114 2378	57 10 1514 1006 4,50 856 1112 8212 8114 16 1812 7,57 5114 1812 7,37 5114 2514	AEG-Telef	5e 450 115.3 108.8 228 874.3 198.8 195 207.5 1ee 52.5 541.5 228 125 125 125 126 126	-0.2 +0.5 -0.3 -0.9 +1 +0.7 +5.8 -2.5 +5.5 +1.5	Bco Bilbao Bco Central Bco Exterior Bco Hispan Bco Santander Bco Santand	275 240 205 292 213 265 99 44,0 62,5 51,7	+3 +2 +2,3 +8,8 +0,3	Cot. 5  Cheung Kong Cosme Prep Gornas Harbeur Heng Seng Bank. HK Electrio HK Kewlcon Whit HK Land HK Bhanchal Bk. HK Telephene Hutchison Wpa. Jerdine Math New Werld Dev 5 seas Trust Bk. SHK Props Swire Pac A. Wheel'k Mard A. Wheel'k Mard A.	H.K. 9 8,85 1,35 10,5 43,5 4,6 3,10 5,83 8,4 25,8 6,8 15,5 8,5 8,73	+4.0 +1.5 +0.45 +3.5 +3.5 +1.0 +1.0 +1.15 +0.15 +0.15 +0.25 +0.25	Spustead Bhd	1.52 3.58 7.80 5.75 2.10 5.80 4.84 4.84 4.77 1.77 1.77 1.75 3.38	-0.98 -0.94 -0.95 +5.81 -0.92 -0.08 +0.02
	Patino. Placer Dev Power Oorp. Quebec Strgn Rangar Off Reed Stenits A Rio Algom Royal Bank Royal Trusco A Sceptre Res Sceptre Res Scagram Bheil Can Dil Peck 8 Feck 8 Fromson News A. Feronto Dom Bk. Frans Can Pipe Frans Can Pipe Frans Can Pipe Frans Mntn. Dilla. Walker IN Res	12 154 1015 4,40 1115 55 2116 14 754 2178 184 7,37 5114 2378 30 2054 736	57 16 1514 4,50 4,50 816 1112 5212 8115 8115 1612 75 5114 2314 20 2012 74 1816	AEG-Telef	50 450 115,5 108,8 228 874,8 198,8 199,8 1	-0.2 +0.5 -0.3 -0.9 +1 +0.7 +5.8 -2.5 +5.5 +1.5 +1.5 -10.2 +2.5 +2.5 -0.8	Boo Bilbao Boo Central Boo Exterior Boo Hispano Boo Vizcaya Oragados Hidrola Iberduero Potroleos Telelenica  SWEDEN	275 295 205 282 285 99 52,0 62,5 51,7	+3 +2 +2,3 +8,8 +0,3	Cot. 5  Cheung Kong Cosme Prep Gross Harbeur Heng Seng Bank. HK Electrio HK Kewicon Whr HK Land HK Kewicon Whr HK Telephene Hutchison Wpa Jerdine Math New Werld Dev 5 seas Trust 8k. SHK Props SWIre Pac A Wheel'k Mard A Wheel'k Mard A	H.K. 9 8.85 1.55 10.5 43.6 43.6 5.8 8.4 8.4 8.5 8.5 8.5 8.5 8.5 8.5 8.5 8.5 8.5 8.5	+4.0 +1.5 +0.45 +3.5 +3.6 +8.0 +1.0 +1.1 +1.5 +0.05 +0.8 +0.8 +0.5 +0.9	8pustead Bhd	1.52 3.58 7.80 5.75 2.10 5.80 7.70 1.77 4.5 3.38 Price Rand	-0.98 -0.94 -0.95 +5.91 -0.92 -0.06 +0.02
	Patino. Placer Dev. Power Oorp. Quebec Strgn.  Ranger Off. Ranger Off. Royal Bank. Royal Trusco A. Sceptre Res. Sceptre Res. Steel el Can. A.  I eck 8. I extaco Canada. I fock 8. I extaco Canada. I form on News A. Feronto Dom Bk. Trans Can Pipe. I rens Mntn. Ilila. Valkar Hi Res. Vestooast Trans.	12 15% 4,40 5½ 11½ 65 61¼ 14,75¼ 75¼ 11¾ 18¼ 18¼ 18¼ 18¼ 18¼ 18¼ 113¼ 113¼	57 16 154 4,50 4,50 886 1112 8214 8 815 1812 7,57 5114 80 2012 7,37 5114 1812 1812 1814 1816 1816 1816 1816 1816 1816 1816	Oct. 5  AEG-Telef	50 450 115,3 108,8 207,5 198,8 198,8 198,8 198,8 198,8 198,8 126,5 126,5 126,3 126,3 177,48	-0.2 +0.5 -0.3 +1.7 +5.8 -2.5 +1.5 +1.5 -10.2 +2.5 -0.8 +1 +5.5	Boo Bilbao Boo Central Boo Exterior Boo Hispan Boo Santander Boo Vizcaya Oragados Hidroia Derriuero Telelenica  SWEDEN Oct. 6  AIIA AIIA-Laval ASEA (Free)	2 275 240 205 282 213 285 99 44.0 62.5 51.7	+3 +2 +2,3 +8,8 +0,3 -1 -1 -3 -18	Cot. 5  Cheung Kong Cosme Prep Gross Harbeur Heng Seng Bank. HK Electrio HK Kewicon Whr HK Land HK Shanc hal Bk. HK Telephene Jerdine Math New Werld Dev 6 'seas Trust 8k. SHK Props SHY Props SWire Pac A. Wheel'k Mard A. Wheel'k Mard A. WheelookM'time	H.K. 9 8.85 1.55 10.5 43.6 43.6 5.8 8.4 8.4 8.5 8.5 8.5 8.5 8.5 8.5 8.5 8.5 8.5 8.5	+4.0 +1.5 +0.45 +3.5 +3.5 +3.6 +1.0 +1.1 +1.5 +0.65 +0.65 +0.8 +0.5 +0.94	Spustead Bhd	5 1.52 3.58 7.80 5.75 2.10 5.80 4.94 4.94 4.5 3.38 Price Rand 2.85 6.25 15.75 104 3.1	-0.98 -0.96 +5.91 -0.92 -0.08 +0.02 + er -0.06 +0.05 +0.05 +0.05 +0.05
	Patino. Placer Dev Power Oorp Ranger Off Reed Steries A Reod Steries A Royal Trusco A Sceptre Res Sceptre Res Steel el Can. A I eck 8 Textaco Canada I extaco Canada I erno News A Feronto Dom Bk. Trans Can Pipe Trans Can Pipe Trans Can Pipe Trans Can Pipe Vestooast Trans Westoonst Trans Weston I Geo)	12 15% 4,40 5½ 11½ 65 61¼ 14,75¼ 75¼ 11¾ 18¼ 18¼ 18¼ 18¼ 18¼ 18¼ 113¼ 113¼	57 1e 154 104 4.50 88e 1112 8212 8114 8 75 8115 1812 7.37 5114 250 2012 7.41 1818 1818 1818 1818 1818 1818 1818 1	Oct. 5  AEG-Telef	Pm. 5e 450 115,3 108,8 228 974,8 198,8 198,8 198,5 1156,8 126,3 1177 48 1 156,5 1 55,1		Bco Bilbao Bco Central Bco Central Bco Exterior Bco Hispan Bco Santander Bco Santander Bco Vizcays Oragados Hidrola Iberduero Petroloce Telelenica  SWEDEN Oct. 6 K AIIA AIIA AIIA AIIA AIIA AIIA AIIA A	275 275 290 2905 2913 285 99 44.0 62.5 51.7 Price (ronor) 195 220 480 25.0 175	+3 +2 +2,3 +8,8 +0,3 -1 -1 -1 -18 +5 -10,5	Cot. 5  Cheung Kong Cosme Prep Gross Harbeur Heng Seng Bank. HK Electrio HK Kewicon Whr HK Land HK Kewicon Whr HK Land Hutchison Wpa Jerdine Math New Werld Dev 5 seas Trust 8k. SHK Props SWIre Pac A Wheel'k Mard A Wheel'k Mard A Wheel'k Mard A Wheel'k Hard B Wheel'k Hard A	H.K. 9 8.25 1.35 43.5 43.5 43.10 5.83 85.8 8.58 8.58 8.58 8.58 8.58 8.58	+4.0 +1.5 +0.45 +8.5 +8.0 +1.0 +1.15 +0.15 +0.85 +0.8 +0.55 +0.8	Spustead Bhd	5 1.52 3.58 5.75 2.10 5.75 2.10 5.80 4.24 7.70 4.5 3.38 Price Rand 2.85 6.2 15.75 1.4 1.5 5.2 15.75	-0.98 -0.95 +5.91 -0.92 -0.98 +0.02 + er -1
	Patino. Placer Dev. Power Oorp. Quebec Strgn. Rengsr Off. Reed Stenks A. Reo Algom. Royal Trusco A. Sceptre Res. Sceptre Res. Steel el Can. A. Feck 8. Fecaco Canada. Tronson News A. Feranto Dem Bk. Trans Can Pipe. Trens Mntn. Dila. Nalken Hr Res. Vestcoast Trans.	12 15% 4,40 5½ 11½ 65 61¼ 14,75¼ 75¼ 11¾ 18¼ 18¼ 18¼ 18¼ 18¼ 18¼ 113¼ 113¼	57 16 154 4,50 836 1112 5214 8 75 8114 8 75 8114 8 75 8114 1812 7,37 7,37 7,37 1816 1312 85 1816 1816 1816 1816 1816 1816 1816 1	Oct. 5  AEG-Telef	Pm. 5e 450 115,5 108,8 274,8 198,8 1	-0.2 +0.5 -0.9 +1 +0.7 +5.8 -2.5 +1.5 +1.5 -10.2 +2.5 -0.8 +1.5 -0.8 -0.9	Boo Bilbao Boo Central Boo Exterior Boo Hispan Boo Vizcaya Oragados Hidrola Bertior Boo Vizcaya Boo Vizcaya Boo Vizcaya Boo Vizcaya Borados Feliones Boo Vizcaya Borados Borados Feliones  Telelenica  SWEDEN  Oct. 6  AIIA AIIA AIIA AIIS-Laval Astra Atias Dopod. Boilden	275 240 295 295 291 285 99 52,0 44,0 51,7 7 7 7 8 9 9 10 195 210 210 210 210 210 210 210 210 210 210	+3 +2 +2,3 +2,3 +0,3 -1,8 +0,5	Cot. 5  Cheune Kong  Cosme Prep  Gross Harbeur  Heng Seng Bank.  HK Electrio  HK Kewicon Whr  HK Land  HK Bhanc hai Bk.  HK Telephene  Hutchison Wpa.  Jerdine Math  New Werld Dev  5 'seas Trust Bk.  SHK Props  Shik Props  Shik Props  Wheel'k Mard A.  Wheel'k Mard A.  WheelockM'time  World Int. Hidgs	H.K. 9 8.25 1.35 43.5 43.5 43.10 5.83 85.8 8.58 8.58 8.58 8.58 8.58 8.58	+4.0 +1.5 +0.45 +3.5 +3.6 +1.0 +1.1 +1.5 +0.65 +0.8 +0.5 +0.04	Spustead Bhd	5 1.52 3.58 5.75 2.10 2.10 2.10 4.24 7.70 4.5 3.38 Price Rand 2.85 8.2 15.75 104 3.1 6.15 2.75	-0.98 -0.94 -0.95 +5.91 -0.92 -0.98 +0.02 +0.05 +0.05 +5.25 +0.05 +2.25 +2.25
	Patino. Placer Dev	12 154 4,40 1018 4,40 1114 55 6114 7,514 6114 7,514 62178 1814 7,37 5114 237 514 30 2054 7,30 1734 35 35	57 10 154 4,50 886 1112 875 8114 8 75 8114 8 75 1812 7,37 5114 30 2012 74 1818 1818 1818 1818 1818 1818 1818 1	Oct. 5  AEG-Telef	5e 450 115.5 105.8 228 874.8 195.8 227.5 126 5228 126 5228 126.3 126.3 127.7 126.3 127.7 126.3 127.7 126.3 127.7 126.3 127.7 126.3 127.7 126.3 127.7 126.3 127.7 126.3 127.7 126.3 126.3 127.7 126.3 126.3 126.3 127.7 126.3 1		Boo Bilbao Boo Central Boo Exterior Boo Hispan Boo Hispan Boo Vizcay Oragados Hidroia Derduero Petroloco Telelenica  Oct. 5  MAIA AAIIa-Laval ASEA (Free) Astra Celiuloea Electroiux B Ericason Esselite(Free)	275 240 295 295 295 295 52,0 44,0 51,0 195 210 480 210 480 210 480 210 480 210 480 480 480 480 480 480 480 480 480 48	+3 +2 +2 +2 +2 +8 +8 +0.3 -1 -1 -1 -1 -1 -1	Cot. 5  Cheung Kong Cosme Prep Gross Harbeur Heng Seng Bank. HK Electrio HK Kewicon Whr HK Land HK Land HK Telephene Jerdine Math New Werld Dev 6'seas Trust 8k. SHK Props Swire Pac A. Wheel's Mard A. Wheel's Mard A. Wheel's Mard A. Wheel's Hard A. Wheel's	H.K. 9 8.85 1.35 1.05 44.6 3.10,5 8.4 25.8 25.8 15.5 20 20 20 20 20 20 20 20 20 20 20 20 20	+4.0 +1.5 +0.45 +3.5 +3.5 +3.6 +1.0 +1.1 +1.1 +0.05 +0.8 +0.5 +0.8 +0.9 +0.9	Spustead Bhd	5 1.52 3.58 5.75 2.10 5.80 5.75 2.10 5.80 5.75 2.10 5.80 5.75 2.10 5.80 5.75 1.77 4.5 3.38 Price Rand 2.85 8.2 15.75 104 5.15 52 7.8 2.70 5.95 3.4	
	Patino. Placer Dev	12 154 4,40 512 115 65 614 754 754 6176 184 175 2176 184 175 184 175 184 175 184 175 184 175 184 175 184 175 184 175 184 175 184 175 184 175 184 175 184 175 185 185 185 185 185 185 185 18	57 1e 1514 4.50 886 1112 8212 88114 1812 7.37 5114 20 2012 7.37 51312 55	Oct. 5  AEG-Telef	Pm. 5ee 450 115,5 108,8 874,8 198,8 198,8 198,8 198,8 198,5 118,5 128,5		Bco Bilbao Bco Central Bco Exterior Bco Hispan Bco Santander Bco Santander Bco Vizcay Bc	275 240 295 295 295 295 295 295 295 295 295 295	+ er + 3 + 2 + 2,3 + 8,8 + 0,3 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 2 - 3	Cot. 5  Cheung Kong Cosme Prep Gross Harbeur Heng Seng Bank. HK Electrio HK Kewicon Whr HK Land HK Kewicon Whr HK Land Hutchison Wpa Jerdine Math New Werld Dev 5 sea Trust 8k. SWIre Pac A Wheel'k Mard A Wheel'k Mard A Wheel'k Mard A Wheel'k Mard A Wheel'k Hard JAPAN  Dot. 5	H.K. 9 8.85 1.35 1.35 43.6 3.10 5.83 25.8 15.5 8.4 25.8 15.5	+4.0 +1.5 +0.45 +3.5 +3.6 +1.0 +1.1 +1.5 +0.05 +0.05 +0.05 +0.04	Spustead Bhd	5 1.52 3.58 5.75 2.10 2.10 2.10 2.10 4.24 7.70 4.5 8.2 15.75 104 3.1 104 3.1 104 4.5 1 5.2 7.8 5.8 5.8 5.8 5.8 5.8 5.8 5.8 5.8 5.8 5	-0.86 -0.95 +5.81 -0.82 +0.02 +0.02 +0.05 +0.05 +0.05 +1.75 -0.5
	Patino. Princer Dev Princer Dev Princer Dev Princer Dev Princer Dev Rengar Off. Rengar Off. Rengar Off. Rengar Off. Royal Stank Royal Trusco A. Royal Bank Royal Trusco A. Royal Bank Royal Can Dill. Royal Can Pipe. Royal Ca	12 1544 1018 4,40 1114 555 114 754 7514 1174 1174 1175 7517 5117 1174 1174	57 16 1514 4.50 838 1112 5214 8 8114 7.37 7.37 7.37 7.37 7.37 7.37 7.3 1814 1814 7.3 1814 7.3 1814 7.3 1814 7.3 7.3 7.3 7.3 7.3 7.3 7.3 7.3 7.3 7.3	Oct. 5  AEG-Telef	5e 450 115.5 105.8 228 1195 874.8 1195 227 126 5228 125 126 126.3 127 148 128.5 153 153 153 153 154.8 128.5		Bco Bilbao Bco Central Bco Exterior Bco Hispan Bco Santander Bco	275 240 295 295 295 295 295 295 295 295 295 295	+8.3 +2.3 +2.3 +8.3 +8.3 +8.3 -18 +0.5 -1 -1 -1 -2 +1	Cot. 5  Cheune Kong Cosme Prep Gross Harbeur Heng Seng Bank. HK Electrio HK Kewicon Whit HK Land HK Telephene HK Bhanc hai Bk. HK Telephene Hutchison Wpa. Jerdine Math New Werld Dev 5 'seas Trust Bk. SHK Props Swire Pac A Wheel'k Mard A. Jert. 5  Jinomoto L. Jinomoto L	H.K. 9 8.25 1.55 1.55 43.5 43.5 4.25 25.8 1.55 8.4 25.8 1.55 8.4 25.8 1.55 8.4 25.8 1.55 8.4 25.8 1.55 8.4 8.4 8.4 8.4 8.4 8.4 8.4 8.4	+4.0 +1.5 +0.45 +3.5 +3.6 +1.1 +1.1 +1.5 +0.65 +0.8 +0.5 +0.5 +0.04	Spustead Bhd	5 1.52 3.58 5.75 2.10 2.10 2.10 2.10 2.10 4.84 7.70 4.5 8 2.10 4.84 7.70 1.77 4.5 8 2.75 1.04 2.15 52 7.8 2.70 5.95 4.6.25 4.90 41 7.25	-0.98 -0.95 +5.91 -0.92 +0.02 +0.02 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
- Guess	Patino. Princer Dev Prover Oorp. Quebec Strgn Reagar Off Reed Stenins A. Roo Algom Royal Sank. Royal Trusco A. Sceptre Res. Sceptre Res. Steric Can Dil Princer Can Dil Reck B. Fexanto Dom Bik. Frans Can Pipe Fr	12 1018 4.40 514 155 614 155 614 753 6178 184 753 753 753 733 733 733 733 733	57 10 15 16 15 16 16 16 16 16 16 16 16 16 16 16 16 16	Oct. 5  AEG-Telef	5e 450 5 1 195 8 228 125 8 190 5 1 194 8 195 1 1		Boo Bilbao Boo Central Boo Exterior Boo Hispan Boo Hispan Boo Santander Boo Vizcaya Oragados Hidroia Derduero Petroleos Telelenica  Oct. 5  MAIIA ALIA-Javal ASEA (Free) Astra ASEA (Free) Celiulosa Electroiux B Ericason Esseltek Free) Fagersta Frita (Free) Mab Scania Bandvik 8 (Free) Ikandia Ikan Enskilda Ikan Enskilda Ikan Enskilda	275 240 295 295 295 295 295 295 295 295 295 200 250 250 250 250 250 250 250 250 25	+3 +2 +23 +8.23 +8.23 +8.23 +8.23 +10.5 -11 -12 -13 -14 -15 -16 -17 -17 -17 -17 -17 -17 -17 -17 -17 -17	Cot. 5  Cheune Kong Cosme Prep Cosme Prep Gross Harbeur Heng Seng Bank. HK Electrio. HK Kewloon Whit HK Land. HK Telephene Hutchison Wpz Jerdine Math New Werld Dev 5 'seas Trust 8k. SHK Props Swire Pac A Wheel'k Mard A. Wheelokid Yime World Int. Hidge  JAPAN  Rot. 5  Jinomoto Stridgestone Janen Jittsen Jalei Jittsen Jalei Jist Nisron Present New Prep.	H.K. 9 8.25 1.35 1.35 43.5 43.5 3.10 5.83 25.8 15.5 8.4 25.8 15.5 15.5 15.5 16.2 26.8 17.8 27.8 28.8	+4.0 +1.5 +0.45 +3.5 +3.5 +1.0 +1.1 +1.5 +0.05 +0.05 +0.05 +0.05 +0.04	Spustead Bhd	5 1.52 3.58 5.75 2.10 5.75 2.10 5.80 5.75 2.10 6.84 7.77 4.5 3.38 2.25 2.25 7.8 6.25 2.25 7.8 6.25 2.25 2.25 2.25 2.25 2.25 2.25 2.25	-0.98 -0.94 -0.95 +5.91 -0.92 +0.92 +0.93 +0.95
- Guess	Patino. Princer Dev Prower Oorp. Quebec Strgn Read Stenins A. Roo Algom Roo Algom Roops Trusco A. Roo	12 1544 1018 4,40 1114 555 e114 754 7514 184 754 7517 30 1734 35 1734 35 207 120 140	57 16 1514 1016 4,50 836 1112 5214 875 8114 875 8114 875 8114 875 8114 875 8114 875 8114 875 8114 875 8114 875 8114 875 8114 875 8114 875 8114 814 814 814 814 814 814 814 814 81	Oct. 5  AEG-Telef Allianz Vers BASF BASF BASF BASF BAYER BEAYER	5e 450 4115,3 105,8 228 1195,8 227,5 126,5		Boo Bilbao Boo Central Boo Central Boo Exterior Boo Hispan Boo Santrander Boo Vizcays Oragados Hidroia Boo Hispan Boo Santrander Boo Vizcays Oragados Hidroia Bortior Fetilenica  SWEDEN  Oct. 5  K AIIA AIIA AIIA AIIA AIIA AIIA AIIA	275 240 295 295 295 295 295 52,0 44,0 55,0 175 210 210 25,0 175 270 270 270 271 271 271 271 271 271 271 271 271 271	+ er + 2.3 + 2.3 + 2.3 + 2.3 + 2.3 + 2.3 + 2.3 + 3 + 0.5 - 1 - 1 - 2 - 3 - 4 - 5 - 6 - 7 - 7 - 7 - 7 - 7 - 7 - 7 - 7	Cot. 5  Cheung Kong Cosme Prep Gross Harbeur Heng Seng Bank. HK Electrio HK Kewicon Whr HK Land HK Shanc hai Bk. HK Telephene Jerdine Math New Werld Dev 6 'seas Trust 8k. BHK Props BWIre Pac A. Wheel's Mard A. WheelookM'time World Int. Hidgs  IAPAN  Inct. 5  Ulnomoto Janen	H.K. 9 8.85 1.35 1.35 43.6 3.10 5.43 25.8 15.5 25.8 15.5 25.8 15.5 25.8 15.5 25.8 15.5 25.8 15.5 25.8 15.5 25.8 15.5 25.8 15.5 25.8 15.5	+4.0 +1.5 +0.45 +3.5 +3.5 +1.0 +1.1 +1.5 +0.05 +0.05 +0.05 +0.05 +0.04	Spustead Bhd	5 1.52 3.58 5.75 2.10 2.10 4.84 7.77 4.58 3.58 2.10 4.84 7.77 4.58 3.58 3.58 4.50 4.50 4.50 4.50 4.50 4.50 4.50 4.50	-0.98 -0.04 -0.95 +5.91 -0.92 +0.02 +0.02 +0.05
- Gurssy	Patino. Patino. Placer Dev Power Oorp Quebec Strgn Rengsr Off Reed Stenirs A Rio Algom Royal Sank Royal Trusco A Sceptre Res Sceptre Res Segram Bheil Can Dil Steel el Can. A Fecare Canada	12 1844 1018 4,40 519 1119 6519 1119 114 7514 6176 114 2376 300 739 1174 1346 35 207 120 207 120 120 140 166	57 10 1514 1016 4,50  880 1112 8214 8 75 8114 8 75 1142 2514 1812 7,37 51144 2515 1816 1816 1816 1816 1816 1816 1816 1	Oct. 5  AEG-Telef	5e 450 115.8 108.8 228 108.8 198.8 198.8 198.8 198.8 198.8 198.8 198.5 126.3 177 106.3 126.3 177 106.3 126.3 177 106.3 126.3 127 106.3 128.5 128		Beo Bilbao Beo Central Beo Exterior Beo Hispan Beo Exterior Beo Hispan Beo Santander Beo Vizcays Oragados Hidroia Iberduero Petroloce Telelenica  SWEDEN  Oct. 6  AIIA AIIA-Laval ASEA (Free) Asera Alias Loval Asera Alias Dopod Boliden Cellulosa Electrolux B Fricason Saselte(Frae) Sagersta Fertia   Free) Mp och Dom Salo Scania Bendvik 8 (Free) Ikandia Ikan Enskilda Ika Enskilda Ika Enskilda Ik Kopparberg Iven Handelston Ivendesison	275 240 295 295 295 295 295 295 52,0 62,5 51,7 250 250 25,0 175 270 25,0 175 270 25,0 175 270 25,0 175 270 270 270 270 270 270 270 270 270 270	+3 +2 +2 +2 +8 +8 +0 -3 -18 +6 -5 -1 -1 -2 -2 -2 -3 -3 -1 -1 -2 -3 -3 -3 -3 -3 -3 -3 -3 -3 -3 -3 -3 -3	Cot. 5  Cheung Kong Cosme Prep Gross Harbeur Heng Song Bank. HK Electrio HK Kewicon Whr HK Land HK Telephene HK Shanchal Bk. HK Telephene Jerdine Math New Werld Dev Sewire Pac A. Wheel's Marri A. WheelockM'time World Int. Hidgs  JAPAN  Rot. 5  Ulnomoto Land	H.K. 9 8.85 1.35 1.35 43.6 3.10 5.48 25.8 15.5 25.8 15.5 25.8 15.5 25.8 15.5 25.8 15.5 25.8 15.5 25.8 15.5 25.8 15.5	+4.0 +1.5 +0.48 +8.5 +8.0 +1.1 +1.1 +1.15 +0.05 +0.05 +0.04 +0.5 +0.04 +0.5 +0.5 +0.04	Spustead Bhd	5 1.52 3.58 5.75 2.10 2.10 5.80 7.70 1.77 4.5 3.38 7.70 1.77 4.5 3.38 7.70 1.77 4.5 3.38 7.70 1.77 4.5 3.38 7.70 1.77 4.5 3.38 7.70 1.77 1.77 1.77 1.77 1.77 1.77 1.77	-0.98 -0.94 -0.95 +5.91 -0.92 +0.05 +0.05 +0.05 +5.25 +0.25 +1.75 -0.8
- Gurssy	Patino. Princer Dev Prover Oorp. Quebec Strgn Reagar Off Reed Stenins A. Roo Algom Royal Sank. Royal Trusco A. Sceptre Res. Sceptre Res. Steric Can Dil Princer Can Dil Reck B. Fexanto Dom Bik. Frans Can Pipe Fr	12 1844 1018 4,40 519 1119 6519 1119 114 7514 6176 114 2376 300 739 1174 1346 35 207 120 207 120 120 140 166	57 14 4 50 816 1112 5214 8 75 8114 8 80 2012 1814 1812 7.377 5114 55 1814 8 75 8 1814 1812 7.377 5114 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8	Oct. 5  AEG-Telef	50		Beo Bilbao Beo Central Beo Exterior Beo Hispan Beo Exterior Beo Hispan Beo Santander Beo Vizcays Oragados Hidroia Iberduero Petroloce Telelenica  SWEDEN  Oct. 6  AIIA AIIA-Laval ASEA (Free) ASEA (Free) ASEA (Free) Boliden Cellulosa Ericason Escite(Frae) Sagersta Ericason Sagersta E	275 240 295 295 295 295 295 295 52,0 62,5 51,7 250 250 25,0 175 270 25,0 175 270 25,0 175 270 25,0 175 270 270 270 270 270 270 270 270 270 270	+3 +2 +2,3 +2,3 +2,3 +2,5 +0,5 -1 -1 -2 -2 -2 -2 -0,5 -3 -1 -2 -1 -2 -1 -2 -1 -1 -1 -1 -1 -1 -1 -1 -1 -1 -1 -1 -1	Cot. 5  Cheung Kong Cosme Prep Cosme Prep Gross Harbeur Hang Seng Bank HK Electrio HK Kewlcon Whit HK Land HK Share hal Bk. HK Telephene Hutchison Wpa. Jerdine Math New Werld Dev 5 seas Trust Bk. SHK Props Swire Pac A. Wheel'k Mard A. Wheel'k Mard A. Wheel'k Mard A. Wheelokid time. World Int. Hidgs  IAPAN  Inct. 5  Ulinomoto Lanen Lanen.	H.K. 9  8.25 1.35 1.35 1.35 43.6 3.10 5.84 25.88 15.5 8.3 25.5 8.3 8.3 8.3 8.3 8.3 8.3 8.3 8.3 8.3 8.3	+4.0 +1.5 +0.45 +3.5 +1.1 +1.1 +1.5 +0.05	Spustead Bhd	5 1.52 3.58 5.75 2.10 5.80 5.75 2.10 5.80 7.70 7.4.5 3.38 7.85 7.8 7.85 7.8 7.8 7.8 7.8 7.8 7.8 7.8 7.8 7.8 7.8	-0.98 -0.94 -0.95 +5.91 -0.92 +0.02 +0.05 +0.05 +5.25 +0.25 +1.75 -0.5 -0.5 +5.5 -0.5
- Gurssy	Patino. Prince Dev Prover Oorp. Quebec Strgn Rangsr Off Reed Stenits A Rio Algom Royal Bank Royal Trusco A Sceptre Res Sceptre Res Sceptre Res Sceptre Res Prover Ocanada. Prove	12 1844 1018 4,40 619 119 656 114 7514 1217	57 16 15 4 4.50 836 11 12 52 14 8 75 81 14 8 8 80 20 12 25 14 18 18 13 15 18 16 13 15 18 16 13 15 18 16 18 18 18 18 18 18 18 18 18 18 18 18 18	Oct. 5  AEG-Telef	5e		BGO Bilbao BGO Central BGO Central BGO Exterior BGO Hispan BGO Santrander BGO Santrander BGO Santrander BGO Santrander BGO Santrander BGO SANTRAND Oct. 5  ALIA ALIA ALIA ALIA ALIA ALIA ALIA AL	275 240 292 3 286 62,5 62,5 62,5 62,5 62,5 62,5 62,5 62,	+3 +2 +2 +2 +2 +2 +3 +4 +2 +4 +3 +4 +4 +4 +4 +4 +4 +4 +4 +4 +4 +4 +4 +4	Cot. 5  Cheung Kong Cosme Prep Gross Harbeur Heng Seng Bank. HK Electrio HK Kewicon Whr HK Land HK Telephene HK Share hal Bk. HK Telephene Hutchison Wpa. Jercine Math New Werld Dev. 6 'seas Trust 8k. SHK Props Sewire Pac A. Wheel'k Mard A. Wheel'k Mard A. Wheel'k Mard A. WheelockM'time World Int. Hidgs  JAPAN  Dot. 5  Jinomoto Jino	H.K. 9  8.25 1.55 1.55 1.55 43.6 3.10 5.83 25.8 15.5 2.75 4.25 2.75 4.25 2.78 4.25 2.7	+4.0 +1.5 +3.5 +3.6 +1.0 +1.1 +1.5 +0.05 +0.05 +0.05 +0.04  er -1 -1 -1 -1 -1 -1 -1 -1 -1 -1 -1 -1 -1	Spustead Bhd	5 1.52 3.58 5.76 2.10 5.80 5.75 2.10 2.10 5.80 7.70 7.4.5 3.38 7.8 7.8 7.8 7.8 7.8 7.8 7.8 7.8 7.8 7.	-0.98 -0.94 -0.95 +5.91 -0.92 +0.95
-GLPSSV- B	Patino. Pracer Dev Prower Oorp. Quebec Strgn Reagar Off Reed Stenins A. Roo Algom Roos I Trusco A. Roops Trusco A. Ro	12 184 1018 4.40 512 1512 1514 7514 6178 114 7514 6178 1814 7514 1814 17514 1814 17514 1814 17514 1814 17514 1814 17514 1814 17514 1814 17514 1814 17514 1814 17514 1814 17514 1814 1751	57 14 4 50 816 1112 5214 18 75 8114 18 12 18 18 12 18 18 12 18 18 12 18 18 12 18 18 18 18 18 18 18 18	Oct. 5  AEG-Telef	50 115.5 105.8 105		BGO Bilbao BGO Central BGO Central BGO Exterior BGO Hispan BGO Santander BGO SANTAND B	275 240 295 295 295 295 295 295 295 295 295 295	+ er + 3 + 2 + 2 + 8 + 8 + 8 - 3 + 18 + 18 + 18 + 18 - 18 + 18 -	Cot. 5  Cheune Kong Cosme Prep Gross Harbeur Hardeur Hardeur HK Electrio HK Kewicon Whit HK Land HK Bhanchal Bk. HK Telephene Hutchison Wpz. Jerdine Math New Werld Dev 5 'seas Trust Bk. SHK Props Swire Pac A. Wheel'k Mard A. Wheel'k Mard A. Wheel'k Mard A. Wheel'k Mard A. Wheel'k Hidge  JAPAN  Ret. 5  Ullinomoto Japanen	H.K. 9  8.25 1.35 1.35 43.6 1.35 43.6 3.10 5.83 25.88 15.5 8.3 25.	+4.0 +1.5 +3.5 +3.6 +1.0 +1.1 +1.5 +0.05 +0.05 +0.05 +0.04  er -1 -1 -1 -1 -1 -1 -1 -1 -1 -1 -1 -1 -1	Spustead Bhd	5 1.52 3.58 5.75 2.10 5.80 5.75 2.10 5.80 7.70 1.77 4.5 3.38 8.24 2.75 5.25 4.90 4.15 7.25 6.25 13.8 7.25 6.25 13.8 7.25 6.25 7.5 7.5 7.5 7.5 7.5 7.5 7.5 7.5 7.5 7.	-0.96 -0.95 +5.91 -0.92 -0.92 +0.02 +0.05
ABB	Patino. Princer Dev Prover Ocrp. Quebec Strgn Rangar Off Reed Stenits A Rio Algom Royal Bank Royal Trusco A Sceptre Res Sceptre Res Sceptre Res Sceptre Res Prove Canada Prov	12 1844 1018 4,40 619 119 656 114 7514 1217	57 16 15 14 16 15 16 16 16 16 16 16 16 16 16 16 16 16 16	Oct. 5  AEG-Telef Allianz Vera BASE Comit Oummit Daimler Senz Daimler Bank J. Baboock. Dostrach Bank J. H. Baboock. Dostrach Bank J. H. Baboock. Dostrach Bank J. H. Baboock J. Babooc	Pm. 5e 450 115.5 105.8 228 874.8 195 5 126.5 126.3 177 162 156.8 125.6 126.3 177 162 165.1 155.5 126.3 177 162 165.1 155.5 166.8 165.1 166.8 165.1 166.8 165.1 166.8 165.1 166.8 166		Boo Bilbao Boo Central Boo Exterior Boo Hispan Boo Santander Boo Vizcays Oragados Hidroia Derduero Petroloco Telelenica  SWEDEN  Oct. 5  AAIA AIIa-Laval ASEA (Free) Astra Asea (Free) Booldiden Celluloca Electrolux B Electrolux	275 240 295 291 295 295 295 295 295 252,0 440,0 210 250 210 250 210 250 211 250 211 250 211 250 211 250 211 250 211 250 250 250 250 250 250 250 250 250 250	+ er + 2.3 + 2.3 + 2.3 + 2.3 + 2.3 + 2.3 + 3 - 1 - 1 - 1 - 2 - 3 - 1 - 2 - 3 - 3 - 3 - 4 - 5 - 6 - 7 - 7 - 7 - 7 - 7 - 7 - 7 - 7	Cot. 5  Cheung Kong Cosme Prep Gross Harbeur Heng Seng Bank. HK Electrio HK Kewloon Whr HK Land HK Bhate hal Bk. HK Telephene Hutchison Wpa Jerdine Math New Werld Dev 5 'seas Trust 8k. SHK Props Wheel's Mard A. Wheelook M'time World Int. Hidgs  IAPAN  Dot. 5  Ulnomoto Amade Salidgestone Sa	H.K. 9 8.85 1.35	+4.0 +1.4 +0.4 +3.5 +3.6 +1.1 +1.1 +1.5 +0.6 +0.8 +0.5 +0.8 +0.5 +0.8 +0.5 +0.8 +0.5 +0.8 +0.5 +0.5 +0.5 +0.5 +0.5 +0.5 +0.5 +0.5	Spustead Bhd	5 1.52 3.58 5.75 2.10 5.80 5.75 2.10 5.80 7.70 1.77 4.5 3.38 8.24 2.75 5.25 4.90 4.15 7.25 6.25 13.8 7.25 6.25 13.8 7.25 6.25 7.5 7.5 7.5 7.5 7.5 7.5 7.5 7.5 7.5 7.	-0.96 -0.95 +5.91 -0.92 -0.92 +0.02 +0.05
ABBOOK ABBOOK	Patino. Patino. Placer Dev. Power Oorp. Quebec Strgn Rangar Off Reed Stenits A Rio Algom Royal Bank Royal Trusco A Sceptre Res. Scagram Bheil Can Dil Steal el Can. A Fecae Canada. Fromeon News A. Fecae Canada. Fromeon News A. Feronto Dom Bk. Frans Can Pipe Frans Can Pipe Feronto Dom Bk. Frans Can Pipe Frans Mntn. Dilla. Westoost Trans. Weston IGeo)  AUSTRIA  Gct. 5  Freditanstalt Austrian Frans. Freditanstalt  Grans Frans. Freditanstalt  AUSTRIA  Gct. 5  Freditanstalt  Freditanstalt  AUSTRIA  Gct. 5  Freditanstalt  Freditanstalt  Austrian Frans.  Grans	12 1844 1018 4,40 512 1156 114 7514 114 17514 1174	57 16 15 4 4.50 83 9 11 12 52 14 8 75 81 15 4 8 8 15 18 12 7 7 7 8 15 14 18 18 18 18 18 18 18 18 18 18 18 18 18	Oct. 5  AEG-Telef Allianz Vera BASF BASF BASF BASF BAYER BEAYER	Pm. 5ee 450 115.5 105.8		BGO Bilbao BGO Central BGO Central BGO Exterior BGO Hispan BGO Santander BGO SANTAND B	275 240 295 297 295 290 2520 2520 2520 2520 2520 2520 2	+8 +2 15 +2 15 +2 15 15 15 15 15 15 15 15 15 15 15 15 15	Cot. 5  Cheung Kong Cosme Prep Gross Harbeur Heng Song Bank HK Electrio HK Kewicon Whr HK Land HK Telephene HK Share hal Bk HK Telephene Hutchison Wpa Jerdine Math New Werld Dev 5 'seas Trust 8k. SHK Props Shir Props Shir Props Shir Props Shir Props Wheel' k Mard A. WheelockM'time World Int. Hidgs  Japan	H.K. 9  8.85 1.35 1.35 1.35 1.35 1.35 1.35 1.35 1.3	+4.0 +1.4 +3.5 +3.5 +3.6 +1.0 +1.1 +1.5 +0.8 +0.0 +0.5 +0.8 +0.5 +0.8 +0.5 +0.8 +0.5 +0.8 +0.5 +0.8 +0.5 +0.8 +0.5 +0.8 +0.5 +0.8 +0.5 +0.8 +0.8 +0.8 +0.8 +0.8 +0.8 +0.8 +0.8	Spustead Bhd	5 1.52 3.58 5.75 2.10 2.10 2.10 4.84 7.77 4.5 8 1.5 8	-0.96 -0.95 +5.91 -0.92 -0.92 +0.02 +0.05
ASSOCI	Patino. Patino. Placer Dev Power Oorp. Quebec Strgn Reagar Off Reed Stenins A. Roo Algom Roopal Trusco A. Roopal Tru	12 1844 1018 4.40 514 155 614 155 6174 175 6174 6176 184 7514 6176 184 737 739 739 739 739 739 739 739	57 16 15 4 4.50 836 11 12 52 14 8 75 51 14 8 80 20 12 52 14 8 80 20 12 52 14 8 8 80 20 12 52 18 16 18 16 18 16 18 16 18 16 18 16 18 16 18 16 18 16 18 16 18 16 18 16 18 16 18 16 18 16 18 16 18 16 18 18 16 18 18 16 18 18 18 18 18 18 18 18 18 18 18 18 18	Oct. 5  AEG-Telef Allianz Vera BASF BASF BASF BASF BAYER BEAYER	Pm. 5ee 450 115.5 105.8		BCO Bilbao BCO Central BCO Central BCO Exterior BCO Hispan BCO Santander BCO SANTAND BCO S	275 240 292 293 285 99 52.0 444.0 62.5 51.7 195 220 25.0 175 220 25.0 175 270 271 285 111 143 180 190 197 29.5 1115 125 126 126 126 126 126 126 126 126 126 126	+ er + 2.5 + 2.5 + 2.5 + 2.5 + 4.0.3 - 1 - 1 - 1 - 2 - 3 - 4 - 5 - 6 - 7 - 7 - 7 - 7 - 7 - 7 - 7 - 7	Cot. 5  Cheune Kong Cosme Prep Gross Harbeur Heng Seng Bank. HK Electrio HK Kewicon Whrit HK Land HK Electrio HK Shanch hal Bk. HK Telephene HK Shanch hal Bk. HK Telephene HK Shanch hal Bk. HK Telephene Service Math New Werld Dev. 5 'seas Trust 8k. SHK Props Swire Pac A. Wheel'k Mard A. Wheel'k Mard A. WheelockM'time World Int. Hidgs.  JAPAN  Dot. 5  Jinomoto Jino	H.K. 9  8.85 1.35 1.35 1.35 4.6 3.10 5.84 25.8 3.73 25.8 3.73 25.8 3.73 25.8 3.73 25.8 3.73 3.8 3.8 3.8 3.8 3.8 3.8 3.8 3.8 3.8 3.	+4.0 +1.4 +3.5 +3.6 +8.0 +1.1 +1.5 +0.65 +0.8 +0.05 +0.04 +0.5 +0.8 +0.5 +0.8 +0.5 +0.8 +0.5 +0.8 +0.5 +0.8 +0.5 +0.8 +0.5 +0.8 +0.5 +0.8 +0.5 +0.8 +0.5 +0.8 +0.5 +0.8 +0.8 +0.8 +0.8 +0.8 +0.8 +0.8 +0.8	Spustead Bhd	5 1.52 3.58 5.75 2.10 2.10 2.10 2.10 4.84 7.77 4.5 8.5 10.4 3.1 10.4 3.1 10.4 3.1 10.4 3.1 10.4 3.1 10.4 3.1 10.4 3.1 10.4 3.1 10.4 3.1 10.4 3.1 10.4 3.1 10.4 10.4 10.4 10.4 10.4 10.4 10.4 10	-0.96 -0.95 +5.91 -0.92 +0.02 +0.02 +0.05
ASSOCI	Patino. Patino. Placer Dev Power Oorp. Quebec Strgn Reagar Off Reed Stenins A. Roo Algom Roopal Trusco A. Roopal Tru	12 1844 1018 4.40 514 155 614 155 6174 175 6174 6176 6176 184 7574 6176 184 737 739 739 739 739 739 739 739	57 10 11 12 12 12 12 12 12 12 12 12 12 12 12	Oct. 5  AEG-Telef Allianz Vera BASF BASF BASF BASF BAYER BEAYER  DESTABLE BEADOOK. DOEWISCHE BANK BIH HARPAG LIPYU BEAYER B	Pm. 5ee 450 115.5 105.8 105.8 105.8 105.8 105.8 105.8 105.5 105.8 105.5 105.8 105.5 105.8 105.5 105.8	-0.25 -0.25 -0.39 +0.79 +0.79 +0.79 +0.79 +1.55 +1.55 -10.28 +1.55 -10	BCO Bilbao BCO Central BCO Central BCO Exterior BCO Hispan BCO Santander  Cot. 5  AAIA AAIA AAIA AAIA AAIA AAIA AAIA A	275 240 2840 2820 283 285 99 52,0 62,5 51,7 7 7 8 8 99 62,5 51,7 7 8 99 100 25,0 175 220 25,0 175 270 25,0 175 270 25,0 175 270 27 28,0 28,0 28,0 28,0 28,0 28,0 28,0 28,0	+ er + 3 + 2 = 3 + 2 = 3 + 2 = 3 + 2 = 3 + 2 = 3 + 2 = 3 = 3 = 3 = 3 = 3 = 3 = 3 = 3 = 3 =	Cot. 5  Cheune Kong Cosme Prep Gross Harbeur Hang Seng Bank HK Electrio HK Kewicon Whit HK Land HK Telephene Hutchison Wpa Jerdine Math New Werld Dev 5 'seas Trust 8k. SHK Props Swire Pac A Wheel'k Mard A. Wheel's Mard	H.K. 9  8.25 1.55 1.55 1.55 1.55 1.55 1.55 1.55 1	+4.0 +1.4 +0.4 +3.5 +3.6 +1.1 +1.5 +0.6 +0.8	Spustead Bhd	5 1.52 3.58 5.75 2.10 2.10 2.10 2.10 4.34 7.70 4.5 8.2 15.75 104 5.1 1	-0.98 -0.94 -0.95 +5.91 -0.92 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 -0.26 +1.76 -0.5 -0.71 -1.1
- GLESSY - H AREGOGINGGG	Patino. Pracer Dev. Prover Oorp. Quebec Strgn.  Rangar Off. Rangar Off. Reed Stenirs A. Rio Algom. Royal Bank. Royal Trusco A. Sceptre Res. Seagram. Bheil Can Dil. Steal el Gan. A. Feck 8. Feck 8. Feck 9. F	12 1844 4.40 514 1856 1814 7514 1814 7514 1814 7514 237s 5014 174 134s 35 207 180 180 180 180 180 180 180 180	57 100 1112 1213 12 12 12 12 12 12 12 12 12 12 12 12 12	Oct. 5  AEG-Telef	Pm. 5ee 450 115.5 105.8 105.8 105.8 105.8 105.8 105.8 105.5 105.8 105.5 105.8 105.5 105.8 105.5 105.8	-0.2 +0.5 +0.3 +1.5 +1.5 +1.5 +1.5 +1.5 +1.5 +1.5 +1.5	BCO Bilbao BCO Central BCO Central BCO Exterior BCO Hispan BCO Santander BCO Santander BCO Santander BCO Santander BCO Santander BCO SANTAND Cet. 5  ALIA ALIA ALIA ALIA ALIA ALIA ALIA AL	275 240 2820 293 285 444.0 62.5 51.7 195 210 2520 2520 25.0 1975 210 25.0 1175 270 270 271 285 1115 125 126 126 126 126 126 126 126 126 126 126	+3 +2 +2,3 +2,3 +2,3 +3 +0,3 -18 +0,5 -1 -1 -1 -1 -1 -1 -1 -1 -1 -1 -1 -1 -1	Cot. 5  Cheune Kong Cosme Prep Gross Harbeur Heng Seng Bank HK Electric HK Kewicon Whit HK Land HK Electric HK Sharch bal Bk HK Telephene HK Sharch bal Bk HK Telephene Jerdine Math New Werld Dev Sewine Pac A Wheel'k Mard A	H.K. 9  8.85 11.05	+4.0 +1.4 +0.4 +3.5 +3.6 +1.1 +1.5 +0.6 +0.8	Spustead Bhd	5 1.52 3.58 5.75 2.10 2.10 2.10 2.10 4.34 7.70 4.5 8.2 15.75 104 5.1 1	-0.96 -0.95 -0.95 +5.91 -0.92 -0.92 + er -0.95 +0.02 + 0.05 +0.05 +0.05 +0.05 -0.25 +0.05 -0.25 -0.25 -0.25 -0.25 -0.25 -0.25 -0.25 -0.25 -0.25 -0.25 -0.25 -0.25
- CLESSY B ASSOCIATIONS - CLESSY B ASSOCIATION	Patino. Pracer Dev Prower Oorp. Quebec Strgn Read Stenins A. Roo Algom Roos I Trusco A. Roos I Trusco	12 184 1018 4.40 514 155 614 155 6174 175 6174 6176 6176 1814 7574 6176 1814 1815 1816 18	57 16 15 14 1 16 1 16 1 16 1 16 1 16 1 16	Oct. 5  AEG-Telef	Pm. 5ee 450 115.5 105.8 105.8 105.8 105.8 105.8 105.8 105.8 105.5 105.8	-0.2 -0.2 -0.3 -0.3 -0.3 -0.3 -0.3 -0.3 -1.5 -1.5 -1.5 -1.5 -1.5 -1.5 -1.5 -1.5	BCO Bilbao BCO Central BCO Central BCO Exterior BCO Hispan BCO SANTANDER	275 240 295 295 295 295 295 295 295 295 296 250 250 250 250 250 250 250 250 250 250	+3 +2 +2 +2 +8 +8 -3 -18 +0 -5 -12 -13 -14 -15 -16 -17 -17 -17 -18 -18 -18 -18 -18 -18 -18 -18 -18 -18	Cot. 5  Cheune Kong Cosme Prep Gross Harbeur Heng Seng Bank HK Electric HK Kewicon Whif HK Land HK Sharch bal Bk HK Telephene HK Sharch bal Bk HK Telephene HK Sharch bal Bk HK Telephene Send Werld Dev Send Werld Dev Send Werld Dev Sewice Pac A Wheel'k Mard A World Int. Hidge  Japan Hidge  Japan Hidge  Japan Hidge.	H.K. 9  8.25 1.35 1.35 1.35 1.35 1.35 1.35 1.35 1.3	+4.0 +1.4 +3.5 +3.6 +1.1 +1.5 +0.65 +0.65 +0.05 +	Spustead Bhd	5 1.52 3.58 5.75 2.10 2.10 4.24 7.77 4.5 8.25 15.75 104 3.11 2.85 8.2 15.75 1.2 104 3.11 2.85 8.2 15.75 1.38 3 7.2 8.2 15.75 3.5 16.95 1.38 1.38 1.38 1.38 1.38 1.38 1.38 1.38	-0.88 -0.95 +5.91 -0.65 +5.91 -0.62 +0.02 +0.05 +5.25 +0.25 +0.25 +0.25 -0.1 -0.5 -0.1 -0.5 -0.1 -0.5 -0.25 -0.25 -0.25 -0.25 -0.25 -0.25 -0.25 -0.25
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- GLPSSY E ABBOOKERGGGHING PROSSSS	Patino. Pracer Dev Pracer Dev Power Oorp Quebec Strgn.  Read Stenins A Roo Algom. Roos Trusco A Sceptre Res. Segram Steel Can III.  Feck 8 Fecaco Canada Fromson News A Feronto Dom Bl. Frans Can Pipe Irena Mntn. IIII.  Valkarii Res. Vestoosst Trans Weston IGeo.  AUSTRIA  Cct. 5  Ireditanstalt Landerbank Vestooset Trans Weston Geo  AUSTRIA  Cct. 5  Ireditanstalt Landerbank Vestooset Mae  Ireditanstalt Ire	124 1844 1018 4.40 514 155 614 155 6174 175 6174 6176 114 7.37 737 737 737 737 737 737 73	57 16 15 14 15 16 17 18 16 17 18 16 17 18 16 17 18 16 18 16 18 16 18 18 18 18 18 18 18 18 18 18 18 18 18	Oct. 5  AEG-Telef Allianz Vera BASF BASF BASF BASF BAYER D. Schulfhelsa D. Schulfhelsa D. Schulfhelsa D. Schulfhelsa D. Schulfhelsa D. Schulfhelsa J. Schulfhelsa.	Pm. 5ee 4480 115.5 105.8 125.5 105.8 125.5 125.5 125.6 125.5 125.6 125.5 125.6 125.5 125.6 125.5 125.6 125.5 125.6 125.5 125.6 125.5 125.6 125.5 125.6 125.5 125.6 125.5 125.6 125.5 125.6	-0.2 -0.2 -0.3 -0.2 -0.3 -0.3 -0.3 -0.3 -0.3 -0.3 -0.3 -1.5 -1.5 -1.5 -1.5 -1.5 -1.5 -1.5 -1.5	BCO Bilbao BCO Central BCO Central BCO Exterior BCO Hispan BCO Santander COL 5  AAIA AIIA-Laval ASEA (Free) ASEA (Free) ASEA (Free) ASEA (Free) BCO BC	275 240 2205 2213 285 99 52.0 444.0 445.0 175 227 225 2136 235 1115 1158 235 1115 125 125 125 125 125 125 125 125 1	+ + + + + + + + + + + + + + + + + + +	Cot. 5  Cheung Kong Cosme Prep Gross Harbeur Heng Seng Bank HK Electrio HK Kewlcon Whit HK Land HK Share hai Bk HK Telephene Hutchison Wpa Jerdine Math New Werld Dev 5 seas Trust Bk Shix Props Swire Pac A Wheel'k Mard A Wheel'k Mard A Wheel'k Mard A Wheelokin'time Wheelokin'time Wheelokin'time Wheelokin'time Janen Shix Props Salingstone	8.25 1.55 1.55 1.55 1.55 1.55 1.55 1.55 1	+4.0 +1.4 +5.5 +3.5 +1.1 +1.5 +0.65 +1.1 +1.5 +0.65 +0.04 +0.05 +0.05 +0.05 +0.05 +1.1 +1.5 +0.05 +1.1 +1.5 +0.05 +1.1 +1.5 +0.05 +1.1 +1.5 +1.5 +1	Spustead Bhd	5 1.52 3.58 5.75 2.10 5.80 5.75 2.10 6.80 7.70 4.5 3.38 8 1.77 4.5 3.38 8 1.77 6.5 3.38 1.77 6.95 3.46 2.5 5.8 5.8 5.8 5.8 5.8 5.8 5.8 5.8 5.8 5	-0.98 -0.94 -0.95 +5.91 -0.92 +0.02 +0.02 +0.05 +5.25 +0.26 +1.75 -0.26 +1.75 -0.26 -0.1 -0.85 -0.1 -0.85 -0.1 -0.85 -0.1 -0.85 -0.1 -0.85 -0.1 -0.85 -0.1 -0.85 -0.1 -0.85 -0.1 -0.85 -0.1

#### Wool sales ban on **Poland**

POLAND HAS been excluded from Australian wool sales after failing to meet the payment date for wool bought last month.

The National Council of Wool Selling Brokers said that about A\$2m was due last Friday, and the brokers bad decided not to accept further bids until tho money was paid.

Poland's payment problems problems bave also led to the suspension of a A\$40m line of credit with the Australia and New Zealand Banking Group and Westpac Banking establisbod last year.

• LONDON POTATO Futures Soptember was 4,633 lots of 40 tonnes, representing a tonnage of 185,320 tonnos, worth more than £13.68m. In the open posltion 10,386 lots wore traded, equivalent to 415,440 tonnes.

third of the home-produced crop this year. About 75,000 tonnes of Cox. Spartan and Bramley apples and Comice and Conference pears are committed to the scheme in the

1982-83 season. ENGLISH fruit farms in the open to the public oo Sunday for tours of the orchardo and packing houses with facilities for farm sales and pick-your-own

at como orcherds.
THAILAND will have more than 3m tonnes of rice for export next year according to That rice mills association. Paddy production Is expected to be about 18m tonnes, up from tho 15.9m tonnes forecast

 VENEZUELAN aluminium workers at the 280,000 tonnes a year state plant have ended their industrial ection following ogreement of a new collectivo

• LONDON commodity market trediog was disrupted yesterday aftornoon by a bomb scare at Plantation House.

# Soviet grain purchases gather momentum

BY NANCY DUNNE IN WASHINGTON

back with a vengeance into the grain market, aftor a near six- French of Amorican maize amounting to 1.6m tonnes and bought Another 200,000 tonno purchase of maizo io oxpocted

to be announced shortly according to U.S. tradors. Howover, the sales did little to lift prices on the Chicago Board of Trade graio markot, where traders ooted the absence of wheat and soyabean

superpowers. It is believed in some quarters that the Soviet wheat crop is not as bad as the U.S. Department of Agriculture has estimated. Last weok the Interexpects to bandle at least one- tonnes compared with the U.S.

betweeo the two

THE Soviet Union bas swopt USSR-Europe pipeline, announcement thot month absence. Within 6 week Mme Edith Cresson, is to try pact when she visits Moscow

Markot crop this year.

with the Soviet Union later this month in Vienna, the Russiano agriculture minister, will be told they can buy all the U.S. grain they want in the they have made four purchases and negotiato a long-term grain seventh year of the agreement between the two countries. But shortly has enhanced the tbreat the USSR is only required to 800,000 tonnes of Freoch whoat of increased competition from buy 3m tonnes of wheat a year EEC subsidioed sales, especially under the pact and many in view of the record Common traders feel that if it can obtain wheat supplies else-John Block, U.S. Agriculture where at acceptance prices, it Secretary, said that during talks will do so.

#### India agrees U.S. wheat price

BY K. K. SHARMA IN NEW DELHI

INDIA WILL pay nearly \$411m the imports are mainly to be imported from tha U.S. this year. Contracts for this amount were signed recently to help • KINGDOM marketing scheme national Whoot Council put meet shortages arising from a for English high-quality fruit Soviet wheat prodoction at 87m poor barvest caused by bad poor harvest caused by bad

American sanctions on the Singh, Minister for Agriculture, stocks.

for 2.49m tonnes of wheat to replenish declining stocks and also to combat pressure on wheat prices Mr Singh also told parliament

that the Indian government had fixed the price for rice procureestimate of S0m.

At the same time there are fears bere that the U.S. may well miss out on sales of wbeat, with the Soviet Union preferring to go elsewhere as a result of American sanctions on the same time there are fears bere that the U.S. may when India imported 1.51m the Government boping that state agencies will be able to buy more rice for a fear of the same time there are for a fear of the content of the price for rice procurement at Rupees 122 per quintal from the home market. This is fear when India imported 1.51m the Government boping that state agencies will be able to buy more rice for rice procurement at Rupees 122 per quintal from the home market. This is fear the home market. The home market had the home market had the home market. This is fear the home market

# U.S. cobalt stockpile review urged

BY OUR COMMODITIES STAFF

Router. The study said tho recent development of cobolt oubstitutes means that the stockpile "goal" noeds to be reviewed from its present level of 85.4m.

It noted that the oxisting "goal" is significantly above the amount needed to meet three years of consumption at pro-

Turnover: 2,921 (1,054) lots of 100 tonnes.

bar was fixed at the equivalent of \$386 per ounce, against \$397.50.

In Zurich gold finished at 3392-393, compared with \$387-389.

LONDON FUTURES

Juna.....

concluded that the national defence stockpile represents the least expensive solution to safe-guard against a disruption in stockpile by private industry

cantly below the estimated \$25 against a supply disruption. years of consumption at pro- cost for domestic produced jected 1985 levols for the U.S. ores," it said. "Moreover, the aerospace industry or for direct protection afforded by stock- tivo for development by defeore needs. The stockpile piled cobalt extends beyond the industry of cobalt substitutes.

A REVIEW of the U.S. stock- "goals" are based on the theo- mandatory three years since piling policy for cobalt is urged retical amount of strategic domestic ore bodies could be in a special study issued in materials required to conduct brought on-line within the time Washington by the Congress a three-year war.

Sional Budget Office; reporte At the same time the 6tody protection afforded by the stock-

> The study found that the cobalt supplies.
>
> "The Government recontly domestic mine production of purchased cobalt at \$15 a lb for cobalt would be "an exponsive insurance policy" to guard insurance policy" to guard It pointed out that both pro-

posals would reduce the incen-

#### Sugar at four-year low

By Our Commodities Staff World sugar prices fell sharply yesterday morning after the London daily price for raws was marked down by £6 to £81 per tonne, a four

year low. On the London futures market the nearby March position rallied a little in the afternoon, mainly on short-covering, but still ended the day down at £102.15 per tonne, £2.35 below Monday's

Traders blame the continuing surplus of sugar world wide for the bearish trend in the market, adding that reports that the International Sugar Organisation has forwarded proposals to the EEC for a joint scheme to bold surplus sugar off the market may have aided the afternoon rally.

#### U.S. metals price cuts By John Edwards,

J. EDWARDS, COMMODS, ED. U.S. metails producer, Asarco, esterday announced domestic price cuts for copper (down by 1 cent to 64 cents a pound). lead (1 cent down to 23 cents), and zinc (down by I cent to 40 cents). The cuts for lead and zinc were the second reductions this week.

The fall in the zinc price to 40 cents suggests that other producers in the U.S. may well have to rescind the recent move np to 42 cents and move closer back into line with the Euro pean producer price.

Cash zine on the London Metal Exchange lost £4 to £430.75 a tonne, but copper and lead values were marginally higher, steadied by the recovery

in gold. News that a U.S. secondary lead producer. Taracorp Inc., had filed protection under the bankruptcy act caused little sur-

#### MARKET PROFILE: RUBBER

# Stuck in the doldrums

market has been in the a further 50,000 tonnes over is concerned the decline foldrums. The volume of the same period. This would business has been small and keep almost 130,000 tonnes off out. Traders and rubber out. prices have remained within a the market and perhaps reprenarrow rango.

result of two different factors; firstly the Industrial recession has seen demand, and prices, fall and, secondly, the active buying policy of the Internetional Natural Rubber Organisation (INRO) has helped keep surpluses off the market and therefore provided a oushlon falling preventing prices

further. Rubber prices today are well down on their early 1980 peak when speculative buying took RSS No. 1 (spot) in London up to 90p per kilo. Yesterday this same marker grade of rubber was trading at ?—?p. per kilo.
One of the main factors currently affecting production
levels is the growth of small-holder cultivation of rubber in the post-war period.

ager, to changes in the world market. As prices fall, the tendency bas been for him to increase output in order to maintain income. Politically the bundreds of thousands of small-bolders are a considerable force to be placated by governments. It was as a result of smallholder pressure, on Malaysia in particular, that the three big-gest producers beld meetings this summer to discuss measures to reduce further the surplus available to the market. A plan proposed by Malaysia for the three to hold about 350,000 tonnes off the market was, how-

cent of their normal monthly

argument failed.

It is not certain whether the others will eventually join in Indonesia has been operating rubber has more or less be an export incentive scheme for the past six mooth by which its respective share of exporters can sell rubber on market. In the U.S. the p six months credit with a government fund subsidising interest rubber used is about 3 to rates down to 91 per cent. American buying in Indonesia has ben largely influenced by this cheap credit policy.

Most of the producers, how ever, have laid more emphasis on the INRO buffer stock operations rather than on unilateral oction. With 200,000 tonnes already in the buffer stock the organisation is now collecting the finance for another 100,000 tonnes. The call for the almost The typical smallholdor reacts £50m needed was sent out in differently from the estate manearly August and brings to £175m the amount spent on this operation since November 1981.

Traders argue that a stockpile of 300,000 tonnes is "bound to have a depressing effect on the market for, possibly, years to come." The more cavatier of them say that, given the cost of maintaining the stock and the limited shelf-life of rubber, burning the buffer stock might have a more uplifting effect on the market than allowing it to overhang future business for an indefinite period. The consumption picture.

according to the trade, is stagever rejected by both Thailand nant. Two-thirds of all natural and Indonesia.

rubber goes into the motor inis then one of it "staying st Faced with this rejection, dustry, with half going into in the doldrums for the f Malaysia has begun to take tyres. The impact of the seeable future." Some trad limited unilatoral action of current recession on that inwhich the most important was dustry is sufficiently well by lack of movement, are the recently ennounced decision known for its depressing baps over-pessimistic when I of its rubber tradors to with impact on rubber usage to be speak of "ten years of slugging hold and put into stock 20 per obvious."

It is generally believed by

- AMERICAN MARKETS

FOR THE last year the rubber Rubber Estates are to withhold and that as far as this seen rubber off-take has bottom out. Traders and rubber m sents a Maiaysian attempt to chasers for tyre manufacture This lack of movement is the win the support of the other seem equally convinced, he two producers by example after ever, that a growth in prodtion is unlikely in the sh

CHRR

er firm

term ers will eventually join in The post-war competiti withholding campaign, between natural and synthe settled with each now hav with a slightly higher prop tion of natural going i

> Higher oil prices he undermined synthetic's pricompetitiveness to a degree s although in a rising market price of synthetic sets a e ing for natural rubber pri depressed conditions.

However with most roly products now the result of well-established natural and synthetic rubt prices seoing a long-term crease in demand as a rea

of switching is considered at Even the radial tyre with higher natural rubber cont (approximately 20 per cent opposed to 15 per cent in ot car tyres) has, because of much longer road life not to a net increase in rubber These days a motorist is likely to change his car change his tyres" commer one rubber buyer for a is tyre producer.

The outlook for the man voicing the frustrations calappears to be a consensus thore could be two slack ye

November exports by Brazil. Co-closed higher as the import on miniments of traders showed a et increase triggering short covering trade buying. Heating ell moderately-lower efter the market if to penetrate sew contract highe att ing local and ptalessioned selling, oreins and acycheos tallied alli-following recent declines with the support provided by amit taking

#### **PRICE CHANGES**

#### **BRITISH COMMODITY MARKETS**

In tonnes Oct. 6 unless stated 1982 otherwise		Oct. 9 1982 - Month - ago
Cash Cathode. £770 5 mths. £798 Geld troy oz \$381.5 Lead Cash. £285.5	+ 5.25 £850 + 4.5 £856.25 + 7.5 £818 + 5.5 £839.70 + 4 \$482 	Ground nit
3 mths	)c £4021 .: )c 200/230a	Malza
Quicksilvert \$360/870 Silver troy oz 473,45, 3 mths 485,10,	+ 3,85 E225 	Future Mar £1032.5 —18.5 £984.0 Coffee Ft Jan £1364 —27.5 £1.281
Tin Cash	\$ 102.41	Gas Oil Nov\$516.0 Rubber (kilo)48.50p Sugar (Rawl£61w Wootl' vs 84s kt 1360p kilo590
Wolfrm 22.54 lb S98-102 Zinc Cash £430.75 3 mths £438.75 Producere \$800/85	-4.0 £445.5	‡ Unquoted. u 5ept-Oct. t Oct. v Nov. w Oct-Nov. g Nov-Osc. † Per 16-lb flask. • Ghane cocoa, n Nominal.

#### LONDON OIL **SPOT PRICES**

	Latest	+ or -
GRUDE OILFOS (	por barre	n
Arabion Light franian Light Arabian Heavy North Sea (Fertics). African(Bonny L'ht	31,00-31,1 30,50-31,1	+ 0.00
PROOUCTS-North	West Euro CIF (8 p	pe or tonne)

#### **GOLD MARKETS**

Gold rose \$4 to \$391-392 to the Loodoo bullion market. It opened at \$3881-3871, and was fixed at \$357.25 in the morning, and \$390.25 to the afternoon. The metal touched a peak of \$302.393 and a low of \$385-386.

In Paris the 12½ kilo gold bar was fixed at FFr 90,500 per kilo (8090,59 per ounce) in the afternnon, compared with FFr 90,350 (\$3\$9.55) in the morning, and FFr 91.900 Monday afternoon. In Frankfu was fixed at

with \$387-389 In Luxemi

Month Yest'rday's + or Susinass £ por tray

		Gold Builio	r (fine curce)		
pening . forning		-3871 <sub>2</sub> (£2201 <sub>4</sub> (£229.5	-230) 840( 104) 8399		(£220½-230) (£237¼-238¼) (£232,020; (£220,875)
		Oold Co	aine Oct. 0		
rugmd Krug Krug	\$40212-404 \$26812-20912 e10614-10714	(£238½-230½) (£123½-124) (£53-63½)	King Sov Victoria Sov Franch 20s	692-03 <u>1</u> 2	(£5412-5814) (£5412-5514)

EUROPEAN MARKETS

Wheat—(U.S. \$ per tonne): U.9.
No. 2 Red Winter Oct 129, U.0, No. 3
Amber Durum Ilct 166, Nov 171, Occ
174, Jan 180, Feb 183, Apni-May 183,
June 186, U.S. No. 2 Northem Spring
14 per cent Oct 168, Nov 168.50, Occ
172, Jan 178, Feb 181, March 184,
April-May 179. Cenedian Western Red
Borino Nov 191.

ROTTEROAM, October 5.
U.S. \$ per tonne): U.9.
Winter Oct 129, U.0, No. 3
um fict 166, Nov 171, Oec
80, Feb 183, April-May 183.
U.S. No. 2 Northern Spring
t Oct 168, Nov 169.50, Oec
178, Feb 187, March 184.
179, Cenedian Wastern Red
191,
U.S. \$ per tonne): U.S.
U.S. \$ per tonne): Afficat U.S.
U.S. \$ per tonne): U.S.
U.S. \$ pe April-May 179. Cenedian Western Red Spring Nov 191. Sept 191. Sept

#### BASE METALS

BASE-METAL PRICES were quietly mixed on the London Metal Exchange. Copper mirroted the perfermance of gold end dipped to £813 before closing el £823.25. News of e further 1 cent producer price cut by Aserto eew Zhe declina te £439.5 at the close, while Lead held eteady eround £296.75. Forward Tin was finally £7,262.5, with the backwardstion narrowing to snaund £5. Aluminium end Nickel moved narrowly, clasing el £566.25 end £2,370 respectively,

#### COPPER

Amalgemeted Metal Treding reported that in the meming cash Higher Grade traded et £804.50, 06.00, three months £817.00, 18.00, 17.00, 18.00, 19.00, 16.50, 19.00. Cathodee, cash £772.00, 72.50. Korb: Higher Grade: Three menths £818.00, 18.50, 10.00, Aftermeon: Higher Grade, three months £821.00, 20.50, 21.00, 22.00, 21.00, 21.50. Cathodes, three months £796.00, Kerb: Higher Grade, three menths £822.00, 23.00, 23.50, 24.00, 23.50. Turnover: 41,125 tonness.

CAC OU FUTURES	COPPER	Official	= 0,	Unofficial	==
GAS OIL FUTURES The strength of the doller brought	HighGr de	£	£	£	£
the market down after the opening and pricase continued to fall in good volume until mid-efternoen. A rally in New York brought some strength leter. A quiet berge merket sow weaker prices through the day in line with the futures. EEC meterial moved down around \$4.00 after strating ot around \$316.00 reports Premier Man.	Cash 3 months Settlem't Cathodes Cash 3 months Settlem't U.S. Prod.	818.5-8 805 772,5-3 792 773		801.5-0	+5.25 +4.5 +7.5 +5.5
Month Yest day's + or Business Dono	TIN				

Tin—Moming: St 70, 60, 65, 50, 01, 60. Kerb: Stand 67,250, 60. Aftem 67,270, three month Kerb: Srendard, m months £7,265. Tu	three dard, oon: na £7, id-Oc	months £ three m 5tandard, .271, 70, 6 t £7,285.	7,245 onth ces 5, 70 three
TIN Official	+01	p.m. Unofficial	12
High Grado £ Cash 7255-60 3 months 7250-5 Settlom't 7260	_£ _70 _20		£ 5 + 10
Standard Cash: 7055-60		7270-5 7270-5	-6 + 15
Streets Ed Span, 10		-	!

LEAD

Lead—Moming: Csah £285,00, 85.76, three menths £295.50, 95.00, 95.5, 09.00. Kerb: Three menths £296.00, Afternoon: Csah £285.00, three months £295.60, 95.00, 96.00. Kerb: Three months £296.00. Turnover: 7.400 tonnes.

LEAO	S.IT. Official	+ or	p.m. Unofficial	<u> </u>
Cash 3 months Settlem't U.S. 2pot	286	£ 575 5	285.0 005.5-6	£

Zine-Morning: Cash £431.50, 61.00. three months £438.00, 38.50, 29.00, 03.50. Kerb: Three reonths £439.00, 38.50. Attemption: Ceeh £430.75, three Afternoon: Ceeh £430,75, thres £436,50, 37.00, 37.50, 38.00 38.50, 39.00, 39.25, 39.00, 38.50, Kerb Three months £439,00, 39.50. Turnover: 7,400 tonnes.

ZINO	o.m. Official	+ or	Diofficial	+ 9
Cash 3 months Settlem't Primw'ts	431	£ -0 -4,5 -5	£ 430,5-1 438,5-0 -40,5-42,75	

50 pesos Mex 8471 1-480 (2276 1-2842) | ALUMINIUM 100 Cor. Auet 8378-3831 (4234-327 8465-488 (423768-28712) | Aluminium—Meming: 688 m. 47 m. 48 m. 48 m. 47 m. 48 Aluminium—Meming: Three months (566.00, 67.00, 68.00, 68.50, Korb: Three months (566.00, 66.00, 66.00, Attareon; Three months (566.50, 66.00, Kerb: Three months (565.00, 66.00, Kerb: Three months (565.50, 66.00, Kerb: Three months (565.50, 68.00, 56.50, 67.00, 56.00, 56.50, 69.00, 68.50, 67.00, 57.50, 57.00, 58.00, 57.50, 58.00, Three months (565.50, 68.00, 59.50, 69.00, 68.00, 57.50, 57.00, 58.00, Three months (565.50, 68.00, 59.50, 69.00, 68.00, 57.50

Alumin m	a.m. Official	+ or	p.m. Unofficial	+ 01 †
Spot 5 months	£ 549,5-58,8 685,5:7	£ +1 ÷.5	£ 547.5-8.0 5650	-,5 -,25

NICKEL

Nickel—Moming: Cash £2.535, threa months £2.360, 65, Atternoon: Three months £2.365. Karb: Three moths £2.370, Turnover: 786 tunnes.

		•	<u> </u>	
NICKEL	a.m. Official	+ 01	p.m. Unofficial	+0
pot months	2305-7 2360-5	-24 -20,5	2360-1 2369-70	+.5 -&

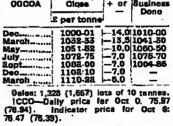
\* Cents par pound. # M\$ per kilo. † On previous unofficial eless. SILVER Silver was fixed 9.05p. an ounce ower for epot delivery in the London

bullion m U.3. can levele we three-mon menth 84 month 89 opened a closed et	equival re: spot th 820.0c 4.0c, dev i.0c, dow rt. 473-47	ents 797.50 , dos wn 1 n 13.1 6p (	ef the standard of the standar	15.
BILVER per troy oz.	fixing	1 1	L.M.E. p.m. Unoffic!	١.

Spot 473.45 3 months. 485.16 6 months. 498.65 12months 661.80	9,90	_	18
LME—Tumover 10,000 ezs. Mer 486.0, 87.0, 65.0, Afternoon: Three 89.0. Kerb: Three	107- (ming: 186.0, 86	(71) let faree m .5.º Kerl .488.0.	ont 3: n 88.

COCOA

the New trede olu Actuals b	opened Jowe York close b goishly with usiness was scere offered orte GIII and	scarce	direction. while a
OOCOA	Yesterday's Close	+ or	Susiness



INDICES F)NANCIAL TIMES Oct.4 Oct. 1 M'th sgo Y'ar ago 227.75 227.53 232.94 260.70 (Bese: July 1 1952 - 100)

Oct. 5 | Oct. 4 |M'th agoP'ar ago 1488.6 1601.0 1658.7 1666.7 (Base: September 18 1931 = 100) MOODY'S Oct. 4 Oct. I M'th ago Y'ar ago

066.4 968.4 1010.8 1012.1 (December 31 1931 = 100) DOW JONES Dow Oct. Oct. Month Year Jones 4 1 ego ago Spot 118,06 121,76 150,87 — Futura 120,31 128,72 133,93 — (Base: December 31 1974 = 100)

COFFEE In moderets volume prices declined in early commission house selling sports Owner, Fur-

ther liquid pressure as in distants soms £15.0	letion kep nd ee tred differenti	t nead a buyin	bye under gemenged
COFFEE	Yest'day's Close	+ 01	9usiness Dono
Nov	1265-70 1185-90 1139-40 1107-08	-20.5 -27.3 10.0 11.5 3.5 +0.0 +27.6	1015-90 1380-50 1280-58 1205-85 1153-30 1110-05 1091-75

Sales: 4,174 (3,951) lots of 6 tennes. ICO Indicator prices for Oct 4 (U.3. cente per pound): Comp. daily 1979 129.13 (129.96): 15-day avempe 125.23 COTTON ...

LIVERPOOL—Spot and shipment sales amounted to 96 ibrates. Mixed declings were reported, without any sustained demand. Most of the ordern placed were in American type growths, with a useful office in Turkish styles se well as African quelities. GRAINS

remeined more active through wheat trading firmer closing 25p up while Sept came of 40p due to leck of interest, reports Acii. t LONDON NEW ZEALAND CROSS-BREDS-Close (in order: buyer, seller, business), New Zealand cents per kg. Oct 345, 359; Dec 365, 375; Jan 373, 379, 374; Merch 387, 389, 388-384; Mey 398, 399, 398-396; Aug 410, 414, 412-410; Oct 416, 419; Occ 421, 424; Jen 422, 427; Merch 427, 432, 426, Selosi 53. Yesterd'ys +or Yest'rd'ys +or

Nov... 112.95 -0.29 108.35 +0.25 Jan... 116.56 -0.25 112.00 +0.25 Mar... 119.50 -0.21 115.00 +0.25 May... 122.40 -117.90 +0.25 July... 122.40 -0.51 -0.85 Sep... 112.50 -0.61 107.90 0.49 Susiness done-Wheet Nov 23, Jan Sep., 112.50 —0.16, 107.50 —0.48
Business done—Wheet: Nov 23, Jen 17, March 30, Mey 12, July 2, Sept nil.
Seles: 84 loss of 100 tonnes. Barley: Nov 95, Jan 32, Merch 21, Mey mil.
Sept nil, 3alas: 148 lots of 100 tonnes. LONDON GRAINS—Wheat U.S. Oark Northern Spring No. 1 14 per cent Oct 110.25, Nov 111.00, Dec 112.50 tran-shipment East Coest sellers. English

Feed fob Oct.115.50 East Coast Sallers.
Maize: U.S., French lato Oct.varly
Nov 131 transhipment East Coast
seller. Barley: English feed fob Oct
110.50, Nov 111.50, Dec 113 East
Coast sellers,
HGCA—Locationel ex-ferm spor
pricas. Other milling wheat: S. East
111.10. Feed wheat: 8. East 109.30,
S. West 109.90, W. Mide 108.50, N.
West 108.30. Feed barley: S. East
107.30, W. Mide 102.80, N. West 101.20.
The UK Menetary Coefficient for the
week beginning Mondey October 11 le
expected to remein unchaniged.

POTATOES Initial ateady market was abort lived, with bulk of days trade in a very nerrow range ereund overnight lavels. Prices eased alighty further at close, reports Coley and Herper. Yesterd'y Previous ausiness close close Dona

£ per tonno 58.80 : 58.70 66.50 : 66.50 77.20 | 77.50 87.40 | 87.80 07.30 | 66.80 RUBBER

The London physical market opened easier, attracted little interest throughths day, closing dull, Lewis and Peet reported en October 10b price for No. 1 R30 in Kuala Lumpur of 193.50 (194.25) cents a kg end 3MR 20 199.00 (sama). No. 1 Yesterdys Previous Business R.S.S. Close Close Done

Nov ...... 43,18,49,89 49,80,49,90 | Doc ..... 65,80,50,54 69,70,58,89 50,50 | Jan-Mar 52,10,52,26 52,80,52,77 52,70,52,70,52,10 Apl-Jno 54,90,56,59 55,50,55,49 55,00,64,90 Jly-Septis7,89,57,70 98,56,60 99,26,59,00 Jan-Mch 162,58,52,74 62,90,85,00 98,50,62,58 Apl-Jno 163,18,50,56 55,40,65,90 | Jly-Septis7,50,57,50 98,00,63,10 | Jly-Septis7,50,57,50 | Jly-Septis7,50,57,50 | Jly-Septis7,50,57,50 | Jly-Septis7,50,57,50 | Jly-Septis7,50,57,50 | Jly-Septis7,50,57,50 | Jly-Septis7,50,50 | Jly-Septis7,50,50 | Jly-Septis7,50 | Jly-Septis

Sales: 100 (75) lots of 15 tennes 2 (nll) lots of 5 tennes. Physical closing prices (buyem) ware Spot 48,50p (49,25p); Nov 51,25p (01,80p); Dec 01.75p (52,00p). SOYABEAN MEAL The market spened £1.50 lower an continued bearish sentiment, reports f. G. Roddick. Prices drifted further before short covering together with commission hauss buying attacked

Yesterdys +or Business Close - Done 

Sales: 241 (46) jots of 100 tennes.
SOYABEAN OIL—The market ocened alightly easier drifting on long liquidation. Treds buying at lower levels lifted values off lows which closed with losees of \$1.00-3.00. Closing prices and business dons (U.8.\$ por tenne): Oct 412-50-15.00, 415.00-13.00; Osc 425.00-28.00, 426.00-22.00; Feb 429.00-23.50, 433.00-28.00; April 432.50-33.50, 434.00-32.00; June 438.00-47.00 untraded; Aug 443.00-68.00, untraded; Oct 450.00-70.00, untraded. Turnover: 25 (81) lots of 25 tennes.

WOOL FUTURES SYDNEY GREABY WOOL-Close (In SYDNEY GREASY WOOL—Close (In ordor: Suyar, seller, business). Australien cents per kg. Oct 516.0, 517.0, 318.0-516.0; Dec 525.0, 528.0, 525.0-523.0; Merch 540.0, 540.0, 540.0, 540.0, 540.0, 540.0, 540.0, 540.0, 540.0, 540.0, 540.0, 542.0; Oct 542.0, 545.0-542.0; Oct 542.0, 545.0-548.0; March 538.0, 559.0-556.5; Sales: 107.

# LONDON NEW ZEALAND CROSS-

SUGAR LONDON OAILY PRICE—Raw sugar E81.00 (E87.00) a tonne cif Oct-Oac shipment. White sugar deily price £105.00 (£110.00).

£108.00 (£110.00).
Heavy sali-at-best erders caused March to fell over £3.00 during the opening cell, when a new life-of-centract low of £99.25 was touched. Therefter prices began to lift and the recovery was assisted later by higher New Yerk No. 11 quotatiens. Finel prices were some £2.50 ebove the lows, reports C, Czamikow.

tonnes.

Tete and Lyle delivery price for grenulated basis white auger was £405.90 (eems) a tonno far home trade and £184.50 (£101.00) for export.

International Sugar Agreement (U.O. cents par tonne) fob and stowed Caribbean ports. Prices for Oct 4: Italiy price 5.42 (5.91); 15-day average 5.62 (5.63).

MEAT: COMMISSION-Average Fet-

5.62 (5.63). . MEAT/FISH

stock prices of representative markets.
GB—Cattle 95.550 per kg lw (+0.86).
GB—Sheep 134.20p per kg est dow (+6.16).
GB—Pigs 71.67p per kg lw (+2.55).

MICAT - COMMISSION—Average Fetstock prices of representative markets.
GB—Cattle 95.650 per k0 lw (+0.66).
GB—Sheep 134.20p per k0 est dow
(+8.16). GB—Piga 71.67p per k0 lw
(+2.55).
GRIMSBY FISH—Supply good.
Small 52.00-£8.00, codlings £3.60-£4.50; large
haddock £4.80, medium £3.60-£4.30,
small £2.00-£2.70; madium pleice £5.20£5.30, best small £4.20-£5.20; large
skinned dogfieh £3.60-£4.80, medium
£2.20-£3.00; medium lemon sales £8.00;
reckfish £2.40-£3.50; seiths £2.00-£4.00;
covvent GARDEN—Prices for the
bulk of produce, in starting per package
axcept where otherwise stred:
imported Produce: 0 ranges—Outspan;
Navels/Lares 40 5.20, 48 0.70, 56 6.00,
72 £20, 68 5.60, 112 5.40, 138 5.90, 150
5.35; Bristilian: 6.00-5.50, Manderines—
Smullian: 4.60-4.80. Tambors—Outspan;
£5.k0 60/195 3.00-4.60. Graperfuth—
Outspan; £7.480, 32 0.05, 36 6.20, 40
6.10, 48 6.80, 66 0.80, 64 5.15, 72 4.35—
Ruby same as White; Jaffer 36/54 4.90.
6.70; Cuban: White 0.00. Ruby 6.206.60; Hondums; Ruby, 7.50, White 5.500.00; U.S.: Buby 36/40 0.00. Rupples—
U.S.: 16-k0 Red Dalicious 18-kg 3.504.80, 9-kg 1.30-2.60, Grampy—Oreith
18-kg 3.00-5.20, 0-kg 2.80-2.70, Top Red
18-kg 0.50-5.80. Pears—Franch: 28-1b
loose Williams 3.20-3.40; Outch: Comice
14-lb 3.50; Italia: Per pound tray pack
Williams 0.14-0.17; Spenish: Williams
0.14-0.18, Peaches—Italian: E-18
Regine 1.90-1.90, Italia 5-kg 2.40-3.00;
Gramps—Spanish: Yellow 10-kg 2.40-3.80, Green 10-kg 3.00; Outch: 12-en
12-en
12-en
13-en
13-

4.00: Spanieh: 30/90 3.50-4.00. Fresh Figs—Freech: 28/40 4.50-0.50: Turkish: 5.00. Artichokas—Brittany: 24s 5.80. Asparagus—Australian: Per pound 1.80-2.00. Aubergines—Outch: 5.4g 8.40. Onions—Spanieh: Greno 3.20-3.70. Capaloums—Dutch: 5-kg Green 4.20. Red 5.40. Yallow 0.80. Whits 5.20. Blue 5.80. Cabbages—Dutch: Red 3.00. Whits 2.80-3.00. Sugar. Fees—Outch: 6-kg 4.20. Jeresy: 3.00-3.30. Carrots—Dutch: 10-lb 10.00. Torostoes—Outch: 6-kg 4.20. Jeresy: 3.00-3.30. Carrots—Dutch: 10-lb 10.00. Fennel—Italian: 20-lb 0.00. Dutch: 10-lb 3.00. Courgettas—French: 5-kg 2.50. Endles—French: 5-50-6.00. Cucumbers—Dutch: 2.20-2.40. Chicory—Belpian: 5-lb 2.60. Www.Walmuts—Italian: 11-lb, 0.36-0.45 per pound. Detes—Turkian: 30-kg per 8-cz 0.50-0.63. English Produce: Potatose—Per pound 0.03-0.47. Mushrooms—Per pound open 0.50-0.50. closed 0.89-0.30. Lettocs—Per 12. round 1.00-1.20. Webb's 1.40-2.00. Cos 1.50-2.00. Spring

Gold end silver markets reacted on the upeide efter the shooting down of a Soviet MiG in Angole, setting off short covering which was further intensified by easier interest rates. Copper recovered from recent lows, on the firmer tone in practicus metals with additional support being provided by etock-pile purchases. Suger was frectionally higher op lighter deliveries reported in Western Europe and on lack of erbularge celling. Cocce was mixed in a nerrow tange with near by months supported by menufacturer pricing on continued concern over the Western African crop. Coffee was under presente on long liquidation premoted by a release of some 700,000 bags for

**NEW YORK** 

COPPER 25,000 lb; cents/lb

86.85 GOLD 100 troy ox \$/troy es

Sept Dec March

Sept

906.3 -

COCOA 10 tonnes; S/ton

0.80

" C "

Close 141,44 134,58 128.85

122.00

Close High Low 390.2 390.2 390.2 390.2 390.3 390.3 390.3 390.4 401.5 393.5 405.2 406.5 401.0 412.3 414.7 406.0 412.3 414.7 406.0 427.1 425.0 425.0 425.0 434.8 444.0 440.5

919.8

Close† High Low 1556 1560 1526 1631 1635 1605 1655 1655 1655 0 0 0 0 1760 1780 1780

† Latest prices

B10.0

828.0 860.0 865.0 890.0 908.0

1760 0

Low

High Low 142.60 141.06 196.50 .134.05

126.40 122.00

110.25 116.00 110.23 113.50 113.50

following recent declines with the support provided by profit taking virtual ebsence of eny hedging pres because of extremely light oven movement, interest rates wats m in a nerrow tange so the ferreserve provided only minimal supton finestial instrument, might reported by Helnold Commodities. COTTON 60,000 lb; cents/ib Close† High Low 62.40 62.40 62.10 63.31 63.80 63.31 64.80 65.25 64.90 High Low Prev 0 0 58.20

CHICAGO Close High. 218.2 210.2 234.0 235.0 244.4 245.0 252.6 253.4 387.5 386.4 389.3 392.5 399.0 406.2 413.4 Low 217.6 233.4 Dec March May July

MAIZE 5,000 bu min: cents/56-fb bus 244.4 244 252.4 252 OOYABEANS 5,000 bu min; 420.9 428.5

SILVER 5,000 troy oz; cents/troy es y cs Jan Prev March 797.0 March 801.5 Aug 811.4 Sept 831.0 Nov 846.0 Jan 867.0 SOYAL 896.5 921.0 Oct SOYABEAN MEAL 100 tons; S/ton 20 YABEAN OIL 60,000 (be: cents/lbs 2UGAR WORLD " 11 " 112,000ba; cts/lb

> 5,000 16.2 316.2 336.0 136.02 127.50 122.68

## **EEC** introduces more tapioca import curbs

BRUSSELS—EEC Commission whole year is respected. has introduced new regulations . Imports from other supplier to limit imports of tapioca into the EEC from countries other the EEC from countries other tonnes over the year—will be months of this year.

Imports from China will be over the last quarter. Imports from China will be halted completely under the new regulations because that

country has already exceeded its quota for 1982 of 370,000 Imports from Indonesia, the main supplier after Thailand, will be limited to around 200,000 tonnes so that country's quota of 500,000 tonnes for the

Onions—Per bunch 0.05-0.08. Pickling 0 mions—Per 55 lb 2.50. Leeiss—Per 11 lb 1.50-1.86. Primo Cabbage—Per 25 lb 1.20-1.50. Cabbage—Per 25-30 lb 1.20-1.50. Cabbage—Per 25-30 lb 1.00-1.20. Sprouts—Per 20 lb 1.80-2.40. Carrots—Per 25/25 lb 0.50-1.20, per bunch 0.05-0.10. Courgetes—Per 12 lb 1.80-3.00. Cucumbers—Per pockage 2.70-2.81. Tomathes—Per pockage 2.70-2.81. Tomathes—Per 12 lb 1.20-3.00. Carrots—Per 2.70-2.81. Tomathes—Per 12 lb 1.20-3.00. Cucumbers—Per pockage 2.70-2.81. Tomathes—Per 12 lb 1.20-3.00.

-allowed a total of 90,00 Total EEC imports over th first seven months were 5.25

tonnes, of which 4.55m wer from Thailand, 258,000 from Indonesia, 380,000 from Ohin and 56,000 from other supplier. Imports from Thalland 47 regulated by a separate arrangment limiting them to 5.5 tonnes in 1982.

1.50-2.80. Cefery Per 18/38 Winit, crop 3.00. Stick Beans—Per pould 0.10-0.13. Pumpkins—Per pound 0.00. Narrows—Per box 1.60-1.80. Turnips—Per 28 ib 1.50-2.00. Swedes—Pet 28 Marross Per box 1.60-7.60. 100-7.
Per 28 th 1.50-2.00. Swedes Pet 28 1.00-1.20. Parsinips Per 26 th 1.40-1.9.
Apples Per pound, Samiley 0.60-1.9.
Pearmain 0.05-0.10. Cox's 0.12-0.1
Russers 0.12-0.15. Laxons 0.08-0.1

هكذا منذلأجل

to the dellar and sterling. The Bundesbank sold \$28,35m when the dellar was fixed at DM2,5535, compared with DM2,5508, but trading was within a narrow transa symitms.

range awaiting news on interest rates as a result of today's meeting of the Federal Open Market Committee in the U.S. and the Bundesbank central

ITALIAN LIRA—EMS mem-ber (strongest). Trade-weighted index 53.4 against 53.5 on Monday, and 54.2 six months ago.

**CURRENCY RATES** 

Special Orawing Rights

7,45802 122,757 0,71524

CSYSOR rate for Oct 4: 1.32110

54752

0,57885 6,64852 1025,28 252,862 5,40077 100,194 5,81870

محذا سند لأصل

FOREIGN EXCHANGES

# Dollar firm on money supply fears

The dollar remained very firm in nervous trading ahead of the Federal Open Market Committee bigh against the D-mark, to SwFr 2.20 rest of the day. The pound rose meeting. The weakness of the U.S. economy was expected to prevent any major shift towards

DOLLAR - Trade - weighted index (Bank of England) 124.8
against 124.6 on Monday, and
116.2 six months ago. Threemonth Treasury bills 8.14 per
cent (13.20 per cent six months
ago). Annual inflation rate 5.7 per cent (6.5 per cent previous month).—The dollar rose to fur-ther peaks against the French franc and lira of FFr 7.21 and L1,436.25, and finished at the highest level against the Swiss franc for nearly five years, the highest against the yen for about 5½ years, and a 14-month

OTHER CURRENCIES

The second secon

from SwFr 2.1980 against the Swiss franc; and to Y274.05 from Y273.15 in terms of the yen.

44.9704 8.23400 2.33379 5.61387

1360.27

Note Rates

50.10-30.40 67.90-86.20 14.99-15.14 12.12-18.22

12.12-12.32 4.2814-4.3914 2590-3490 462-467 4.68-4.73 11.77-11.87 149-170 18914-202 10.58-10.66 6.8914-5.7614

1.871-1.694 111-113

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

Austria... Beigium... Cenmerk

rest of the day. The pound rose to DM4.3050 from DM4.30; to FFr12.1475 from FFr12.13; to SwFr3.71 from SwFr3.7050; and prevent any major shift towards higher interest rates by the Federal Reserve despite last Friday'a disappointing money supply figures. Another rise in the M1 figure is feared this week, preventing any move out of the dollar et the moment, apart from a little profit taking.

Sterling was very quiet, but firm against Continental currencies, showing no strong reaction to the September UK money supply figures.

Y273.15 in terms of the yen.

SWF3.71 from SwFr3.7050; and to Y462 from Y460.50.

D-MARK — RMS

D-MARK — RMS

Previous close, and 90.3 six weighted index was unchanged at 124.9 against 123.2 six months ago. Annual 7.925 per cent (9.275 per cent six months ago). Annual 7.925 per cent (9.275 per cent six months ago). Annual inflation cent previous month)—Sterling 5.1 per cent (5.6 per cent previous month)—Sterling 5.1 per cent (5.6 per cent previous month)—The D-mark range against the dollar, closing enowed mixed changes at the unchanged at \$1.6830-1.6840, and gazinst the Swiss franc and touched a low of \$1.6820-1.6830

EMS EUROPEAN CURRENCY UNIT RATES

+1.24 -0.36 +0.53 +0.14 -0.61 -0.29 -1.86

**CURRENCY MOVEMENTS** 

Based on trade weighted changes from Weshington agreement December 1971. Bank of England Index (base average 1975=100).

Three-month interbank 18th per cent (20th per cent six months ago). Annual inflation 17.2 per cent (15.9 per cent previous mouth)—The lira weakened against all major currencies against all major currencies except the yen at the Milan fixing. The D-mark rose to L562.29 from L561.75; the guilder to L514.60 from L514.46; and the French franc to L199.38 from L198.39, but the Italian currency remained the strongest member of the European Monetary System. The dollar was fixed at a record high of L1,435.70, compared with L1,435.55, and finished at an all time peak of L1,436.25 in London, against L1,433.50 on Monday. ±1,5501 ±1.5430 ±1.0886 ±1.3940 ±1.5004 ±1.8091

council tomorrow.

LONDON 3-MONTH EURODOLLAR STon points of Close High Low Dec 87.90 87.92 87.74 March 87.34 87.35 87.25 Volume 2.521 (2.522) Previous day's open int. 702 BURODOLLAR STERLING #25,000 Se per C points of 100% 7.6880 1.6880 1.6850 1.6860 1.6960 1.6965 1.6865 7.6860 1.785 (1,670) High 87.84 87.20 86.95 86.78 Latest 87.84 87.20 CHICAGO U.S. TREASURY BONDS (CBT) 8% \$100,000 32nds of 100% STERLING (IMMA) Se per É High 70.28 70.13 70.15 70.15 70.16 70.19 70.27 70.31 16900 16960 17060 Dec March June Sept Dec March June Sept Dec March June 70.15 70.03 70.01 70.02 70.05 70.09 70.13 70.21 70.25 70.25 70.28 70.12 70.00 89.29 70.01 70.05 70.15 70.17 70.21 70.29 66.12 85.29 65.16 65.05 64.29 64.21 88.79 65.05 65.22 65.05 64.29 64.21 64.17 64.11 84.06 64.00 U.S. TREASURY BILLS (MAN) STO 91.13 89.30 89.38 89.04 88.79 88.67 81.14 84.17 64.11 84.05 64.05 88.72

#### THE POUND SPOT AND FORWARD

Oet e	Day'e.	Close	One month	% p.s.	Three months	į
U,S	1.5820-1-6860	1.6845.1.6866	0.16-0.20c dia	-1.25	0.52-0.62die	=1
Canade	2.0820-2.0910	2.0895-2.0905	0.52-0,62c dis		1.45-1.55dia	-2
Nethind.	4.69-4.713	4.70-4.71	7%-7 <sub>1</sub> c pm		34-24 pm	3
Belgum	83.30-83.65	83.35-83.45	10-20c dis		50-60 dis	-3
Denmark	15.02-15.07	15.05-15.06	101-114 ore dis		243-253dis	-6
Ireland	1,2615-1,2640	1,2625-1,2635	0.47-0,60p dia		1.36-1.55die	-2
W. Ger.	4.29-4.313	4.30-5.31	12e-7apf pm		33-27- pm	2
Portugal	150.00.751.00	150.00-150.50	135-246c dia		385-995dia ·	-18
Spain	193, 10-194, 10	193.70-793.90	155-180c die		555-620dis ·	-12
Italy	2412-2422	2419-2421	15-18 (fre dia		501-541-dla	-8
Narwey	11.7811.81-	11,79-11.89	43-53-ore dis		13-143-dis	-4
France	12.13-12.17	12-144-12-15%		-4.69	19 <sup>1</sup> 2-22 <sup>1</sup> 2dia	-5
Swaden	10.59-10.63	10.617-10.6212	83-84 ore die	-9 80	18's 19's dis	-7
Japan	458-464	4617-4627	15-13y pm	3.90	34-34 pm	3
Austrio	30,17-30-30	30.23-30.28	8-51-gra pm	2 63	194-19 pm	2
	3.69-3.72	3.704-3.714	23-2c pm	403	5-5's pm	

89,160† .0588-1,0593 10.09-211.07

† Rara shown for Argentina le commerciel. Finencial rets 65,652-65,692 egainst sterling 38,950-39,000 egainst doller, "Selling rates.

" Closing rate for Franch Franc on Det 4 was 12.12-12.13".

#### THE DOLLAR SPOT AND FORWARD

4-0.20c dis	00 pm 3.25 53dis -1.56 77 pm 4.06 Rs -1.17 dis -0.06 94 pm 4.77
71-0.24c dis —2.16 0.90-0.1 10-0.90c pm —1.03 12-18 d 10-5.70ore dis —7.33 11-11-2 13-0.88pf pm 4.25 2.68-2.8	33dis — 1.66 77 pm 4.04 Rs — 1.13 dis — 6.04 14 pm 4.17
71-0.24c dis —2.16 0.90-0.1 10-0.90c pm —1.03 12-18 d 10-5.70ore dis —7.33 11-11-1 13-0.88pf pm 4.25 2.68-2.8	33dis — 1.66 77 pm 4.04 Rs — 1.13 dis — 6.04 14 pm 4.17
00-0,50c pm 4.05 2.87-2.7 -5c dia -1.03 13-16 d 10-5.70cm dia -7.33 11-11-2 13-0.880f pm 4.25 2.68-2.6	77 pm 4.04 Rs -1.17 dis -0.04 R4 pm 4.17
-5c offs -1.03 13-18 d 20-5.70cm dis -7.33 11-11- 3-0.88pf pm 4.25 2.68-2.6	Ns -1.17 Ols -0.04 M pm 4.17
20-5.70om dle -7.33 11-115 33-0.88pf pm 4.25 2.68-2.8	dis -0.0
3-0.880f pm 4.25 2.68-2.6	14 pm 4.17
	OR - 1/-00
100c dis -9.65 300-335	
8 fire die8.35 24-257,	dis -5.85
5-2,65ore die -4.20 5.50-8.5	
Pac dis -3,75 94-104	
0-4.60ors dis -8.58 6.20-9.4	
	18-1.10y pm

O mark.

Norwgn. Kr. Spanish Pts. Swedish Kr.,

#### EXCHANGE CROSS RATES

Oct., 0	Pound Striing	U.S. Dollar	Deutschem'k	JapaneseYen	Frenchfranc	Swiss Franc	Duton Build'	Hallen Ura	Canada Dollar	Beiglen Franc
Pound Starling	0,593	1,685	4,305	462.0	1a.15	3,710	4,705	2420.	2,090	83,40
U.S. Collar		1,	8,550	274.2	- 7.209	3,892	2,799	1486.	1,340	49,50
Deutschemark	0,238	0.391	0,318 ·	107,3	2,822	0,862	1,093	e50,1	0.485	18.37
Japanese Yan 1,000	2,165	3,647		1000,	26,20	8,030	10,18	5038.	4.524	180,5
French Franc 10	0.823	1,387	3,544	380.3	10,	3.054	5,873	1998,	1,701	58,66
Swiss Franc	0.270	0,454	1,100	124.8	3,274	1.	1,268	659, 3	0,563	22,48
Outch Guilder Italian Lira 1,000	0,215 0,413	0.558 0.595	0.910 1.779	98,10 190,9	2,582 0,020	0.789 1,533	1,944	514,3 1000.	0,444	17.78 34,45
Canadian Dollar Belgian Franc 100 .	0,478 1,199	0.800	8,060 5,168	221.1 534.0	5,812 14,57	1.778 4.448	E,251 5,641	1158. 9909.	1.506	39,90 100,

#### MONEY MARKETS

# Further pressure on clearing banks

clearing banks yesterday to cut base rates from the current level of 101 per cent. Recent reductions in Bank of England dealing rates have been countered by the consistently high cost of seven day money. The Bank appeared to go some way towards rectifying this situation yesterday by giving e generous amount of help in the market. Consequently seven day money which hed stuhbornly refused to fall much below 11 per cent, was quoted as low as 10% per cent in pleces. Overnight money opened at 10%-10% per cent and finished at 2

or cent.

UK money supply figures appeared to be much in line with market expectations and

ttle effect. The Bank of England forecast a shortage of £400m with factors affecting the market including bills maturing in official bands and a net take op of Treasury hills -£136m and the unwinding of previous sale and repurchase agreemente - £378m. These were partly offset by Exchequer trans-actions of +£95m. The Bank gave assistance in the morning of £461m, comprising purchases of £15m of local anthority bills and £305m of eligible bank bills in

eligible bank bills (64.84 days)

UK clearing bank base lending rate 10½ per cent cent and in band 3 (34-83 days) at 10 per cent and in band 3 (34-83 days) In Frankfurt the Bundesbank side German markets of a pospensive increased on UK clearing banks yesterday to cut base rates from the current level base rates from the current level move is generally taken by the market as an indication that key

recent increase in U.S. interest rates and the recent change in all of 9 per cent. There was no market as an indication that key rates and the recent change in further help given in the after- lending rates and credit policies the West German Government.

#### LONDON MONEY RATES

	Starling Certificate of Saposit	Interbank	Authority Seposits	Local Auth. negotiable bonds	House Opposits	Company Coposits.		Treasury	Bunk Bunk Bijts o	Trade Bills #	
Overnight		a-107g	105-1034			5-11	3.10½		-	-	
O days notion	· –	_	1034-1016	1 - 1	-	I — 1		. —	-	_	
7 days or		- '				ı ı				_	
? dave notice	_	104-10Ta	10%-10%	I - 1		I	10-104	_			
One month		10% 10H	10%	114-11	104	11-111	10	104	101e .	10%	
Two months		104-10H	104	107s-105g	10 <del>/4</del>	11	B 16	913	945	10分	
Three months.		104 105g	1012	1034-1014	104	10%	934	913	072	104	
Bix months	104 104	101g-105g	101	10-04	10%	10%		_ :	02	10	
Nine months	10 101	104 105		105e-105e	1050		- 1			_	
One year		101g-105g :		104 104	105g	! }	']	- 1	- 1	_	
TWO YEARS	· · · · ·	_	1078	: — J		· - •		/	<u> </u>	_	

ECGO Fixed Rate Starling Export Fisance. Scheme IV Averagn Rate for Interest geriod Captember 5 to October 5 1982 (inclusive): 10.897 per cent.

Local authorities and finance houses seven days' notice, others seven days fixed. Long-term local authority mortgage rates, nominally three years 11 per cent; four years 112 per cent; five years 112 per cent. 48ank bill rates in table are buying rate for prime papers. Buying rate for four-month bank bills 9°s per cent; four-month treds bills 10°s per

cent.

Approximate solling rate for one-month Treesury bills 37th per cent two-months 57th per cent and three-months guin per cent. Approximate selling rate for one-month bank bills 10th per cent two-months 97th per cent and three-months 97th per cent; one-month twois bills 10th per cent two-months 10th per cent and three-months 97th per cent; one-month twois bills 10th per cent two-months 10th per cent. Finance Houses Base Rates (published by the Finance Houses Association) 11th per cent from October 1 1982. London and Scottish Clearing Bank Rates for landing 10th per cent. Condon Clearing Daposit Rates for same at seven days' notice 7th-7th per cent.

Treasury Bills: Avemge tander-rates of discount 8.5777 per cent. Certificate of Tax Deposit (Series 5) 10th per cent from October 1 (plun an interest supplement of the first months or for any shorter period determined by series application of deposit to a scheduled liability). Deposits withdrawn for cash 5 per cent.

#### INTEREST RATES ...

1334

1117

EURO-CURRENCY INTEREST RATES (Market closing rates)					· · ·	
Oct. e	Short	7 days	Month	Three Months	90x months	One Year
Storling	105g-107g 1-13g-115g 153g-145g	10/s 10% 11/4-11% 16% 14% 789-7-8 9/4-5	105:11 113:115: 134:134 7:1-7:2 3,3-5:1	104-104 114-114 134-134 73-78 44-45	10½·10% 12½·19% 13½·15% 0½·6½ 4½·4½	104-101 12:-19: 135a 16: 84-85 4 144 8

Oct. e	term	notice	Month	Months	months	Year
Storling	1-11-11-1	101-103- 111-111- 105-143- 78-71- 91-5 7-7-7- 141-143- 16-171-	105: 11 113: 115: 134: 134: 7:: 7!? 3.8-5!: 7:-76: 15: 154: 17-17:	104-104 114-116 13/3-13/2 734-778 44-458 78-76 17-1718 1812-1918	10½-10% 12½-19% 13½-13½ 6½-6½ 7½-7½ 18-18½ 19½-20¼	104-105 127-197 135-167 135-167 14-83- 4-146 75-73- 19-193-
Beig. Franc	11 12 12 12 19 14 19 14	11½.18% 19½.12% 6% 6% 80-91	105g-197s 07a-7 101a-803e	191 <sub>2</sub> -131 <sub>6</sub> 191 <sub>6</sub> -127 <sub>6</sub> 7,5-7,5 191 <sub>6</sub> -201 <sub>6</sub> 111 <sub>6</sub> -117 <sub>6</sub>	13-14 13/a-134a 7:4-7:4 194-304 12:1-18:1	13-13% 134: 136 7%-7% 10%-17% 125:-19%
			NIK FIV	INC		

#### FT LONDON INTERBANK FIXING

3 menths U.S. dollars		8 months U.S. dollars	
bld 11 15/16	offer 11 TE/18	bld 12 1/6	offer 12 3/5
The fixing rate	ere the erithmetic 5 and offered retes	ter Sium guoted by	the merket to

MOULTHS O						
S:18	offer 11 TE/18	bid 12 1/6	offer 12 5/5			
the bit	ere the erithmetic send offered retes sem sech working de o, Deutsche Benk, E	ter \$10m queted by	Vational Waxtminst			

# MONEY RATES

NEW YORK Pruse lote Fed lunds (lunch-time) Treasury bills (13-week) Treasury bills (25-week)	13-13 <sup>1</sup> - 10 <sup>1</sup> 10 <sup>1</sup> - 8-19 9-23
GERMANY Lomberd Overeight rate One month Three months Six months	8.0 7.80 7.80 7.80 7.80 7.85
REANCE Intervention -rate Overnight rate One month Three months	13.78 14.0 12.9375 13.9375 13.6875
JAPAN Glecount rate	5.5

SWITZERLAND

#### NETHERLANDS NETrianano 7.0 Discount rate 72-5 Overnight rate 72-74 72-74 73-8 S CERTIFICATES OF DEPOSIT 10.85-10.95

Three months	
Six months	
One yesr	11.
LONG TERM EURO S	:
Two years	_
Three years	-
Four years	-
Five years	-

hree months	
ne yest	
CU LINKED DEPOST	75
ny month	

10.11.20 30-11.40 30-11.90

9-10">

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The proceeds of the capital increase will be devoted to financing a part of the investment programme of the

#### **Eurodollar recovers**

**FINANCIAL FUTURES** 

Eurodoller very weak opened London International Financial Firtures Exchange after December Treasury bills went limit down in Chicago overnight. An early price of 87.74 for Dec-ember Eurodollar trading was quickly regarded as far too low however, and the contract quickly recovered to \$7.82. Demand was also reinforced when the fore-cast opening in Chicago changed from a fall to a rise, with buying reported from one or two U.S. banks and the large commission

Total volume fell to 3,706 from 4,162 for the Eurodollar and sterling/dollar contracts, but traders remained satisfied with the level of business, given the very quiet conditions at present

contract in the cash markets. This point on the would seem to be particularly relevent to the currency contract as sterling held steady in quie spot foreign exchange trading. Dealers reported a bullish

undertone in Eurodollars how-ever, reflected in the popularity of the December contract over March, with the differential moving out from 48 points to 56 The rise in the Eurodollar

price after the weak opening cams ahead of the Federal Open Market Committee meeting in U.S., which was not expected to produce any sharp rise in New York interest rates or change in monetary policy despite the dis-appointing money supply figures last Friday.

# CERT DEPOSIT (HMM) Stre points Low Prev 87.65 87.65 87.07 87.05 86.83 86.80 86.69 86.64 CNMA (CBT) 0% \$100,000 32:ds

#### **EUROCURRENCIES**

Euro-dollar rates were a little exacerbeted since the Fed's rmer yesterday. Rates were little changed after e firmer opening as the market reflected disappointment over the U.S. Federal Reserve Bank's lack of intervention on Monday to keep short-term rates down. The market remained nervous since on one hand the Fed may allow rates to tighten to help money supply return to below the upper projected limit while the other hand dictates that the U.S. economy is still in recession and needs o reduction in rates to

action within the money market tends to reflect short-term needs. and adjustments to liquidity levels on a technical note can easily he misconstrued as a revision of policy. Elsewhere Euro-sterling rates were a little easier as domestic rates lost ground ahead of a possible cut in UK clearing banks' base rates. Other Eurocurrency rates showed little overall change and both the Swiss franc and D-mark showed a wider premium against the dollar in forward trading stimulate some sort of recovery, while the dollar's discount.

The situation is further against sterling widened,

10.607290

#### **COMPANY NOTICES**

#### GENERAL MINING UNION CORPORATION LIMITED (Incorporated in the Republic of South Africa)

PAYMENT OF COUPON No. 118

Holders of Share Warrants to Bearer will receive payment on or after
14th October 1982 at the rate of 28,010420 the amount declared per share
less 4,2015659 being South African Non-Resident Shareholders' tax of 15%
against serrender of Coupon No. 118.
Coupons must be esposited FOUR CLEAR DAYS for inspection before
Payment will be made:
In London: At the London Secretaries One. In Paris:

At the London Secretaries Office of the Corporation, In Paris:

At Llords Bank International (France) Limited or Credit de Nord.

In Switzerland: At Credit Sales, Zurich, Union Bank of Switzerland, Zurich Switzerland, Corporation, Essie or at any of their branches. Coupoos befooding to holders resident to Great Britein and Northern and will be said as tollows:

Amount of dividend after deduction of South African Non-Resident Sharmholders' Tax of 15% of 15% to the gross amount of the dividend of 28,01042p 23.808855 4.201565

Listing forms can be obtained on application to the London Secretaries.

per pre. GENCOO (I.K.) LIMITED

London Secretaries. L. J. SAINES 8th October, 1082. NOTE—Under the double text agreement between the United Kingdom and the Republic of South Africa. the South Africa Non-Desident Shareholders' text applicable to the dividend is allowable as a credit applicable to the dividend is allowable as a credit applicable that their dividend of the state of 15 per cent leasted of at the basic rate of 15 per cent represents an allowance of the state of 15 per cent represents an allowance of credit at the rate of 15 per cent.

The gross amount of the dividend received to be entered by the individual shareholder on any return for income test purposes is 28.01042p multiplied by the comber of shares held.

> INTERCOM Intercontainmed Below do Gaz et d'Ejectricité Société exonyme PLOATING RATE NOTES PLOATING RATE MOTES
>
> DUE 1992
>
> ta accordance with the provisions of the Notes, notice is hereby given that the rate of interest for the period from 6th October, 1082 to 6th April, 1985 has been fined at 12½ per cent per 1995. The period of the Provision of the Notes and Interest of U.S.15,134 per U.S.510,000 nominal amount of the Notes and Interest of U.S.15,799,81 per U.S.2520,000 nominal amount of the Notes will be due against interest Coupon No. 2.
>
> SWISS BANK CORPORATION INTERNATIONAL LIMITED ROTEFORCE Agent

The Board of Directors have decided to summon an extraordinary persent meeting of the shareholders on Friday 15th October 1982 next is order to deliberate on a sroposal to increase the authorised and issued capital by an amount which should be neither less than 84 6,046,038,220 nor more than 87 5,379,778,075 by creating and issuing for cash n number of near shares which should be no less than 3,008,378 nor more than 3,959,835, at the price of 87 1,345 each pina a premium to be stand at be extraordinary peneral meeting, so that the subscription price will not efficied a total of 87 2,000 par share.

These new shares would be obtained from 8th to 25rd November 1982 at 7610vrs. PETROLEUM EXPLORATION from Str. so 25rd November 1982.

24 follows: 5,272,878 and transmin 3,953,835 shares to be offered for sychic asterophotome the proportion with the state protection and the proportion with the state protection of the proportion with the state for every eight tild aborate, and proper shares for six old shares, and proper shares for six old shares, and proper shares for six old shares, and proper shares, and the state of the 23,783,010 existing shares, and the 23,783,010 existing shares, to be offered for the state of the Contrator, in order to expectate them and so to serve social interest without preference right at the same properties as the ones size of the state of the system of the state of the state of the state of the system of the state of the state of the system of the states and under the state of the system of the existing shares. DEPARTMENT OF ECON NORTHERN IRELAND NORTHERN RELAND

A presentation led by Dr L. V. Illing of V. C. Illing and Partners of the results of n seismic survey is the South East Astrine area Illined with the results of deep borelofes in the area will take place at 11.00 a.m. on 2Z October 1882 at the Ulster Office. 11 Berkeley Street, London WIX 68U.

Companies interested in the possibility of an exploration ficence for this area and wishing to be revened should phose Belfact 234488 Est. 410. or London 01-493 0801. shares. If the legal enorum of presence not reached at the peneral meeting October 15th, a second meeting mid be tomresed on Friday 29th clober 1982.

**PUBLIC NOTICES** GLOUCESTER CORPORATION \$200,000 Gills issued today due 5th January 1085 at 931,7%. Total apolica-tions £1 million. Outstanding \$200,000.

**EUROPEAN INVESTMENT** £1.0 million Knowsky Bills
£1.0 million Knowsky Bills Issued 6th
October 1882 at 0.4% to mature 5th
Jenuary, 1053. Apolications £10 melion.
Outstandles £2 million. BANK — ELB. 91% Bonds 1978/1988 of French France 200,000,000 MIDDLESEROUGH BOROUGH COUNCIL
51.250,000 Bills issued 6th October
1082 at n rate of Objets to mature 5th
Jenuary 1995. Total applications were
£5.000,000 and there were no Bills orthogolatic French France 200,000,000
Notice is hereby given to boodholders that, in eccordence with
the terms and conditions of the
above loan, bonde for a nominal
amount of FF 5,000,000 have been
purchased by the E.I.S. during the
twelve months period ending on
September 20, 1982.
Amount outstanding on October 1,
1982: FF 162,000,000.
Liesembourg, October 6, 1982

#### LEGAL NOTICES INTERFLOW LIMITED

NOTICE IS HEREBY GIVEN of the first Cruditors Meeting to be held at 10.00 e.m. Menday 11th October 1982 at the Company's office at 139 Kensington High Street, London, WS. A. C. WINCH, Company Secretary.

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#### **Cummins** buys Bendix diesel engine unit

By Paul Taylor in New York

CUMMINS ENGINE, the U.S. diesel motor manufacturer, has bought the heavy duty section of Bendix Corporation's diesel engine controls division, 88 well as B license to produce a new type of electronically-controlled fuel injector.

Although the deal is small in cash terms — Cummins is paying about \$2m for the assets it is squiring — the company said it was important for the future development of the next generation of electronicallycontrolled diesel engines.

agreement Under the between the two companies, Cummins will take over some fixed assets and about 45 Bendix staff.

The two companies bave been working together for two years on the development of an elec-tronically-controlled funl sys-tem. Under the terms of the licensing agreement, Cummins will have exclusive rights to the Bendix-pstented injector system for diesel engines be-tween 5.5 and 55 litres in size. Bendix will retain the licence for smaller engines and those

over 55 litres.
Last month, Cummins signed a collaborative agreement with Leyland Vehicles to manufacture **B** new range of diesel engines developed by the U.S. group. Bendix, which last week

agreed to merge with Allied Corporation after a hitter takeover bettle involving Martin Marietts and United Technologies, said the sale was not con-nected to the outcome of the

#### Hydro-Quebec shelves projects

By Our Montreal Correspondent

HYDRO-QUEBEC, the hydroelectric utility, has decided, hecause of recession and much slower growth in electricity demand, to call off the start of construction on all major projects for the next five or six years and will concentrate solely on marketing its surplus.

This means Phase II of the James Bay project in the northwest of Canada will not begin hefore 1988 and possibly not until after 1990, the utility said in an annual capital spending

Total capital spending in the 10 years to 1992 is estimated at C\$33bn against C\$55bn estimated in late-1980.

# German banks told to give breakdown of foreign business

BY STEWART FLEMING IN FRANKFURT

supervisory authorities have down of the foreign loans esked the country's major inter- among different countries, which national banks for detailed in- is what is now being called for.

notably Mexico, are in a pre-carious financial position. How Benkers say the the banks will respond, however, is so far unclear.

solidated figures, but this did the figures between foreign and of the agreement.

THE West German banking domestic lending, or a break-

formation about their interna-tional lending activities on a stready have a detailed break-consolidated basis.

Behind the mave is growing man parent companies, but not concern about the international from the banks' foreign hanking exposure of the banks at a time subsidiaries, such as their Luxwhen several countries, most embourg operations which are

Benkers say that at the time of the "gentleman's agreement" on consolidated accounts A year ago the major hanks last year, it was proposed that reached an agreement to pro- the hanking industry would vide the authorities with con- enter into a second round of Bolidsted figures, but this did negotiations at some stage not encompass a hreakdown of aimed at a further development

#### NKr 400m loan facility for Amerada Hess offshoot

subsidiary in Norway of Oslo savings bank and four Amerada Hess, the U.S. oil commercial hanks in northern, industry equipment group. central and western Norway. Interest is linked to the Amerada Hess/Norwegian Norwegian money market rate bas small stakes in three Nor-Oslo interhank buffer rate—wegien gas producing fields—which currently lies about 1 Tor, Valhall and Statfjord. The

DEN NORSKE CREDITBANK the required advertisements (DnC), Norway's largest commercial bank, has arranged a According to the advertise-ments, the loan is guaranteed Norwegian bond market for Amerada Hess Norwegian, the One lending banks are an One services book and four per cent above the correspond-ing rate in London (Libor). , DnC was not prepared to give details about the issue, although

#### **Dollar Eurobonds ease**

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT

FIXED RATE dollar Eurobonds of paper from the heavy flow shed a further 1 point yester- of new honds launched in day as investors continued to September. worry shout the strength of the U.S. currency and the likely direction of short-term interest

pean currencies, investors in Europe are reluctant to buy into the market. Short-term interest rates moved higher again yesterday in reaction to last week's disappointing in-crease in U.S. money supply.

Six-month Eurodeposits were quoted at 121 per cent yesterday, a gain of 1 per cent No new dollar issues were launched yesterday. The market is still digesting an overhang

On the Continent, Deutsche Mark foreign honds shed arouad points, while Swiss franc rates.

With the dollar still very high against continental Eurohigh against continental Eurofor Bass, the British brewers. was trading at a discount of around 11 secording to Dresdner Bank, lead managers. Dealers said the coupon still appears a little fine.

In Switzerland Chemi-con, formerly Nippon Chemical Condenser, is raising SwFr 30m through a convertible private placement with an indi-cated coupon of 64 per cent. The plecement is led by Swiss Bank

#### Third quarter loss seen at Ford

By Our New York Staff

FORD MOTOR, the U.S. carmaker, will report a thirdquarter less this year, according to Mr Henry Fard II, the company's former chairman and chief executive.

Mr Ford, who ceased to be a company employee last month but remains the company's finance committee chairman, said he would "find it very difficult to think we could possibly be in the hlack."

Ford incurred a loss of \$302m in the first quarter of this year and showed profits of \$204.9m in the second quarter. The third quarter is traditionally a poor period for U.S. carmakers because of investment in new models which do not begin selling until near the start of the final quarter.

Mr Ford would not reveal exact figures for the third-quarter deficit, but some industry analysis have suggested it could be between \$125m and \$200m.

Last week. Mr Gerald Greenwall, Chrysler's vice-chairman, said the third period would be "a tough quarter" for the company to show a profit.

• U.S. carmakers bave cut final-quarter production plans even further, suggesting that total car output for this year will he 5.1m units, 18 per cent below last year and the lowest total since 1958. ● Volkswagen of America

yesterday announced price increases averaging 3 per cent on 1983 models.

#### Chapter 11 plea by lead maker

TARACORP a. privately owned lead producer, has filed for protection under. Chapter 11 of the U.S. Bankruptcy Act.

The company, an integrated secondary lead producers and manufacturer of fabricated lead products, said the action was taken primarily to solve long-term debt problems. Normal business operations

have not been interrupted by the filing, the company added. Mr Lonis Taratoot, chairman of Taracorp, said the company's long-term debts should be restructured under Chapter 11. All suppliers and customers have been informed of the filing.

Louise Kehoe looks at the struggle ahead for a microchip maker

# Time for Zilog to come of age

Valley, seven-year-old Zilog Corporation is middle-aged, but the microprocessor chip manufacturer has retained a youthful personality, according to Mr. Franc R. J. de Weeger, its new

The enthusiasm often associated with start-up companies in the chip business gave Zilog a vigorous entry into a highly competitive field, but a lack of maturity has led the company to be dominated by engineering goals, with little regard for the realities of the market place. Now Zilog must grow up and

learn what may prove to be hard lessons about profitability. As a wholly owned affiliate of Exxon Corporation Zilog has been spoon-fed with the kind of financial backing that many new high-technology ventures might envy. Industry estimates suggest that Exxon has pumped bundreds of millions of dollars into Zilog. Such pampering has not strengthened Zilog, however, and some suggest that it has in fact led to some of the company's problems.

Despite early successes in the market place, Zilog has never made a profit. The company is estimated to be losing more than \$1m a month at present on estimated annual sales of around \$60m for this year. Increasingly, industry watchers

ere asking how long will Exxon he willing to support such losses. Over the past year, the oil giant has unloaded several of its other hi-tech ventures as part of a "reappraisal." Exxon Enterprises, the venture subsi-dlary of Exxon, has "focused its energies upon two unitsoffice systems, and Zilog," said an official. Exxon bas made its choices among the dozen or so ventures that it originally backed in the field of electronics, the company claims.

Still the "culture gap" be-tween the East Coast oil giant and the West Coast semicon-ductor industry makes potential Zilog customers and employees

Mr de Weeger must rebuild confidence in Zilog's future, a confidence that has been shaken by a string of defections among Zilog's managers, including the departure of Mr Manuel Fernandez, a former president, and two other executives to form a start-up computer company. Since then, other Zilog managers bave slso left—the present team includes few who bave heen with the company for more than a couple of years.
"We have not lost many people to competitors," comments Mr de Weeger.

#### Kodak unveils video unit for disc pictures By Our New York Staff

KODAK, the U.S. photographic group, yesterday displayed for the first time a video unit which would enable owners of the company's new disc camera to view their photographs on the

television screen.

Mr Walter Fallon, Kodak's chairman, unveiled the prototype unit at an exhibition in Cologne, West Germany. He also revealed that the company expected to sell more than 8m of the disc cameras world-wide hy the end of the year. Mr Fallon said that based on

orders to date the disc camera, which was launched amid a fanfare earlier this year. "is the most popular consumer camera ever introduced by Kodak."

Shipments of disc cameras, which use a film mounted on a cardboard disc instead of on a reel, would be double the total number of Rodak 110 cameras sbipped in 1972, when they were introduced.

Since Kodak announced the concept of the instanatic camera in 1963 the company has sold more than 150m cartridge-loading cameras.

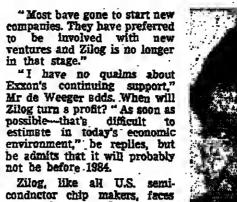
Disc cameras were first shipped to dealers in May this year and can use 98 per cent of the film space compared with 70 per cent captured by simple cartridge-loading cameras.

Mr Fallon predicted that disc cameras would become more popular as related technology extended the range of display options available to the user. One of these options, demonstrated yeaterday by the company, is a display unit for the transfer of disc images to television screens.

#### Qualification on Playboy lifted

PRICE WATERHOUSE, international accountant, has removed its qualification from the financial statements of Playboy Enterprises, the Chicago-besed entertainment and publishing group because the com-pany has now sold its British gambling operations.

In Playboy's 10K report for the fiscal year, ended June 30, the firm said its qualification of the company's fiscal 1981 finan-cial statements had been lifted because the previous uncer-tainty surrounding the British operations had been resolved. Magistrates in the UK last year challenged the renewal of licences at Playboy's five British casinos. The magistrates later revoked licences at two of the casinos, saying they had been used for unlawful purposes. Playboy subsequently sold its British casinos. AP-DJ



a recessionary market, but the

company bas some more fundamental problems that must

be overcome before there will

be black ink on the bottom line.

excellent products—and future

product plans, but the company

has been late in bringing them

among the top selling micro-

processors in the world, beating

competitive parts sold by Intel, Motorols, Texas Instruments and several Japanese manu-

despite the fact that experts say

it is technically superior to its

two major competitors. "Zilog

has failed to give the Z8000 the

control applications.

Zilog's first product—a microprocessor chip called the Z80, introduced in 1976—is still

to market."

"Zilog has always been very

Mr Franc de Weeger

strong on the engineering side," says Mr de Weeger, "but there must be a balance between engineering and marketing to make ends meet. Zilog has a cooling to the strong to the same of the processor, and software programs to put it through its paces. And while Zilog's first micre has too many vendors, its second has too few—a problem that Mr de Weeger is working

In addition to boosting marketing effects, "to bring marketing into unison with engineering," he is making some organisational changes at

facturers. The Z80 is the "brain" of the Sinclair ZX80 home computer. It also powers The company has two divivideo games, and is used in data communications and industrial But Zilog sold "aecond sourcing" rights to several competitors, and now has only about 60 per cent of Z80 sales. In contrast, Zilog's high pera lot of untapped strength in formance microprocessor, the 28000, has failed to gain B major share of the market,

Such changes do not come Zilog's product base. without pain. Zllog's systems engineers . fear giving away hosses at Exxon Enterprises will their basic resources—software be content so long "as they feel programs developed over confident that there is a sense hundreds of man-hours—to of direction at Zilog." support it deserves," says Mr programs developed over confident that there is a sense de Weeger. The company was late in hringing out the all component customers who may important "peripheral" chips build products which will fits," he adds. "But that is just that is just a market of time." work with a micro- eventually compete with Zilog's a matter of time."

de Weeger is determined. "We must be more responsive to customers' needs for software

support," he says. Despite scepticism from Zilog's engineers, Mr de Weeger plans to make the Z8000 more attractive to personal computer manufacturers by making a standard CP/M "operating system" program available for

the microprocessor. Zilog's engineering purists question the technical merits of that operating system, but Zilog customers want it—and as a marketing man, Mr de Weeger knows that the customer is

Zliog is also developing two major new products which will enhance its thin product bne. In 1983, ilog will launch a more powerful version of the Z80-to be called the Z800. The new nzicroprocessor will provide a much-needed upgrade path for curvent Z80 users. One of Zilog's worst mistakes was in make its second product incompatible with the first. The Z800 should

finally put that right.
In 1984, Zilog plans to launch
its Z80000, A 32-bit microprocessor. That will be Zilog's most advanced micro. It will compete with devices expected from Intel and Motorola. If Zilog has held on to its engineering magic, then the Z80000 could be

a winner.
Developing these products sions—one making chips and has however, cost Zilog dearly, the other building those chips The company has been spending into computer systems. Mr de around 30 per cent of revenues Weeger says there has been a on research and development, lack of communication between That must be cut in a more the two. He aims to put that reasonable 15-20 per cent by in-right—"For example, we have creasing revenues, says Mr de Weeger. He also aims to capitalsystems software that could be ise upon "second sourcing" put to good use in selling com- agreements with other chip manufacturers to broaden

Mr de Weeger claims that his

#### FT INTERNATIONAL BOND SERVICE

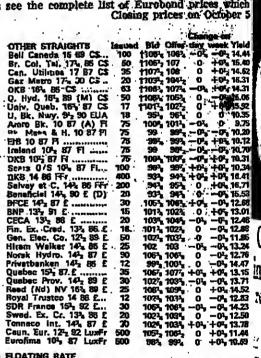
The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices which will be published next on Wednesday October 13.

Closing prices on October 5

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6v, 90

8FCE 5-, 89

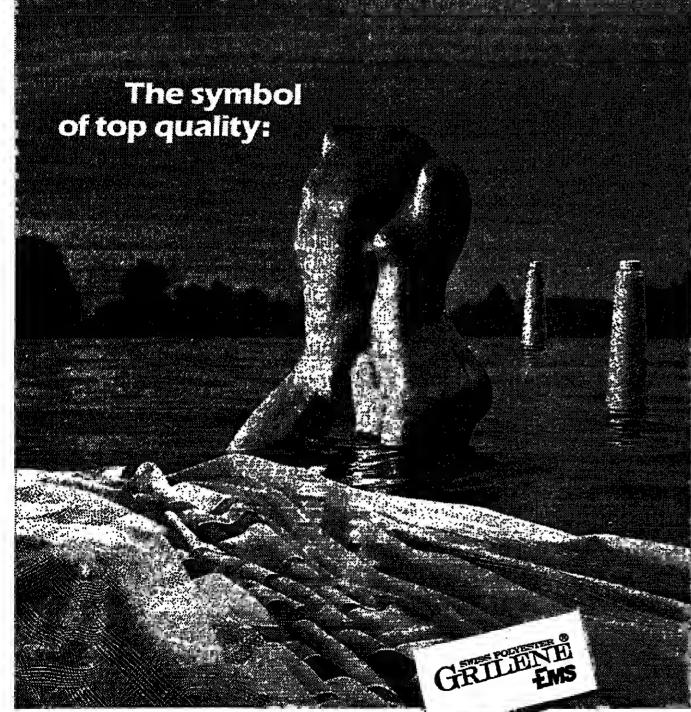
6v, 90

6v, 90 FLOATING. RATE

t Unly one market maker supplied a price.

breight Bonds: The yield is the yield to redemption of the mid-price; the emount issued is in millions of current units except for Yen bonds where it is in billion change on week — Change over price a week earlier.

Change on week - Change over price a week saffer.
Floating Rate Notes: Denominated in deliers unless otherwise indicated. Coupon shown is minimum. C. dte - Date next coupon becomes effective. Spread - Mergin. Stoye six-month offered rate. (‡ three-month; § above maso rate) for U.S. dollars. C.ppn - The custon's coupon. C.yid - The current yield.
Convertible Bonder: Denominated in dollars unless other was indicated. Cho. day - Change on day. Carv. day was indicated. Cho. day - Change on day. Carv. day. Cho. Mergin day. Cho. day - Change on day. Carv. day. Cho. Mergin day. Cho. day - Cho. Mergin day. Cho. day - Cho. Mergin day. Carv. day. Cho. Mergin day. Cho. day - Cho. Mergin day. Carv. day. Cho. Mergin day. Cho. day - Cho. Mergin day. Carv. day. Cho. Mergin day. Cho. day - Cho. Mergin day. Cho



▲120.2.13 dove Story», sculpture by Hans Jörg Limbach, Hombrechtikan, Switzerland

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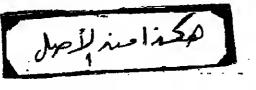
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out, but have since recovered some ground after it became clear that the ban would not be

Dr Mahathir Mohamed, the

Prime Minister, accepted the resolution in principle, but urged the party to leave it to the Government to decide on

the matter in practice. For a start, he said, the Government would take steps to bar Moslems

from gambling, while a study would be made on the implica-

Dr Mahathir himself had sald

last year that he considered the Geoting casino "ooe casino too many."

ment would be one of the first to be hit. Last year, the authorities collected more than

tions of the demand.

immediate.

The state of the s

vestment plans.

The outlook is not so good

in certain electronics product

areas. Domestic appliances are

RAMs) cannot meet surging de-

35 per cent in the last five years,

five years, according to the

manufacturers. Steady sales of

office automation equipment, supported by the desire of com-

panies to cut siministrative

costs in the face of worsening recession, are also stimulating the industrial electronics

trial electronics interests accounts for more than half of

Semiconductor

# Japan's electronics companies aim for lavish growth

JAPANESE electronics manufacturers specialising in industrial electronics for operating profits for the to YL,000hn in the five year trial electronics are reporting. April-September half year upperiod up to 1985. booming business through the wards to Y28bn (\$104m), up by current recession, in sharp coo-42 per cent from the previous year, compared with its original trast to other listed corporations which have revised their estimate of Y22bo. Net profits earnings forecasts for the are now expected to reach April-September half year Y15bn (up by 61 per cent) steeply downward. On the against its earlier estimate of strength of a bulksh business Y12bn. Besides economies of outlook, which envisages doubled sales and trebled pro-fits in three years' time, elec-The electronics tronics companies have been setting out lavish capital in-

companies are

increasingly seen as the major impetus for any business recovery

sluggish: video tape recorders (VIRs), which experienced ex-plosive sales growth during tha volume production, the compast few years, have now turned into a mediocre growth area in terms of sales. Andio pany is benefiting from windfall foreign exchange gains totalling as much as Y10bn for the curequipment has been struggling in the current deep recession. rent half year. At the begin-ning of the current half year, Fujitsu fixed the exchange rate at Y200 per dollar which has The bright spot is industrial weakened to around Y270 to the dollar this week.

electronics products, including information equipment, computers, office automation equipment and semiconductors. For example, thanks to lively demand the semiconductors NEC has benefited less from foreign exchange gains because motor and steel industries a higher proportion of its which bad played the major exports is denominated in yen. role in past economic upswings. mand for semiconductors, helped by technical innova-tions, production of 64,000-bit NEC's operating profits are expected to exceed its initial highly capital-intensive electories of Y18bn to reach Y19bn (up by 10 per cent from the previous fiscal year). However, the commons has reconstituted in creasingly to equity markets the commons has reconstituted in confer to reise funds. random access memories (64K Semiconductor production with an annual growth rate of the company has recently issued bullish long term earnings plans, which foresee a threefold is expected to grow at an annual rate of 30 per cent in the next growth io operating profits in three years' time.

Hitachi envisages a 10 per cent increase io operating profits in the balf year to Y74bn. places an emphasis on sales of electronics products which represent 28 per cent of the total turnover. Hitachi, though renowned for its conservative business policy, bas recently boasted that it will double its Electronics giants such as boasted that it will double its Fujitsu and Nippon Electric sales and treble its operating Company (NEC) whose indusprofits by 1985. Hitachi's profits by 1985. Hitachi's industrial electronics sales are expected to jump by three times total turnover, bave revised to Y1,800bn in the five-year their original earnings estimates period ending in 1985. period ending in 1985.

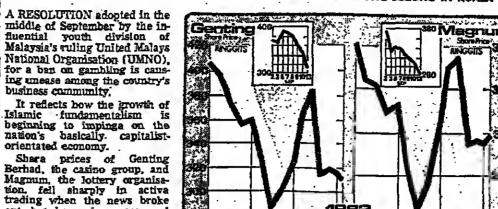
Toshiba plans to quadruple

In view of the sharp upturn in demand for industrial electronics products, the big manufacturers are moving to step up their capital outlay for capacity expansion. NEC bas decided to lift capital spending for the current full fiscal year (ending March 1983) by Y5bn to a total of Y130bn (Y99,7bn in the previous year). Of this, industrial electronics will account for Y74bn. The company plans to boost its prodoction of 64K RAMs to 2.5m a month from

the current level of 1.2m. Fulitsu plans to lift capital outlays by more than Y10bn to an annual total of Y85bn, in wblch semiconductors would account for Y40bn. Toshiba is adding a further Y5.5bn to its original capital investment plan of Y85bn for expanding its semiconductor manufacturing capacity.

The electronics companies are increasingly seen in Japan as the major impetus for any business recovery, replacing the increasingly to equity markets

# Threat to gambling in Malaysia



from taxes on legalised gambling (lotteries, casino and races). More than 20,000 people, a good percentage of them Malays, are employed in the "gaming industries."

For Genting and Magnum, two leading counters on the Kuala Lumpur and Singapore stock exchaoges, the bao oo gambling could be disastrous. Both companies derived most of their reveoue and dynamism from too many." gaming. Genting is cootrolled
The implications are serious by the Lim family, while
and far-reaching. The Govern- Magnum is part of the multipurpose Holdings group, the investment arm of the Malayaothorities collected more than sian Chinese Association, a 320m ringgit (US\$140m), or 2 partner in the Government.

per cent of government revenue Genting and Magnum are

capitalised st 217m and 111m ringgit, respectively, and in 1981, made pre-tax profits of

98m and 30m rioggit.

Anyone going up to Genting
Highlands 30 miles from Kuala Lampur, cannot but be impressed by the sprawling development. Fifteen years ago. it was just jungle. It was due to Lim Goh Tong and bis casioo licence that Genting Highlaods was transformed into what is today ooe of Malaysia's prime locations. The Genting group owns more than 13,000 acres in the Highlands and plaos to develop three townships with more than 50,000 residents.

The idea of Genting High-

nds as a place for living is beginning to take roots as shown by the strong demand for home units built by the group. But for the present, the momentum of development is being sustained by the casino.

محدامند لأصل

Genting Highlands would not. die if the casino licence was taken away. But it would prob-ably mean that development plans for the area were knocked back 20 years.

Both Geoting and Magnum are conscious of their vulnerability and are actively diversi-fying their base into plantations and property as well as business

In the past three years, through the acquisition of estates from the Kadoorie and Ko families, Genting now bolds 56,000 acres of plantations. Earlier this year, through a consortium, it won a licence from the Australian state of Queensland to operate a casioo and botel resort at Townsville. Magnum's diversification has been less impressive or successful. It now owns a rubber

plaotation, and through Phicom of the UK, is involved in the manufacture of electronic and communications equipment. It also owns a large tourist resort, Mimaland, outside Kuala Lumpur.

The business community fears that ooce gambling was banned. the next victim of Islamic fun-dameotalism would be the brewery and liquor business.

Three breweries—Malayan Breweries of Singapore, Guinness of the UK and Carlsberg of Denmark —operate very profitably in Malaysia. Their combined turnover last year exceeded:

600m ringgit. In sddition, many companies, such as Sime Darby, Boustead Holdings and Timuran, are agents for European and Australian brands, whisky and

wines: annual sales run Into several hundred million rioggit, In the past, Islamic end government financial institutions have avoided any involvement in the gambling and liquor businesses. For example, Permodalan Nasional, the Government investment agency, declines to hold shares in

Genting or Magnum. Last June, when Boustead Holdings bought over the Barlow Boustead Estate Agency, the Pilgrims Fuod Board, ooe the BBEA partners, opted for shares in Boustead's plantation subsidiary, Malakoff, rather than Boustead shares. This was because Boustead has a subsidiary dealing with liquor distributioo.

gambling, it would mean that Malaysiao authorities are no longer satisfied with mere passive avoidance, and are actively intervening to restructure business which they coosider to be contrary to the

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> For further information: Delegates please contact-Frank Winter at ITF Exhibitors please contact-Eric Gosden at ITF®

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Claire Gallagher, IBM UK

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#### Companies and Markets INTL: APPOINTMENTS

# President for American Hoechst



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#### chairman and vice-chairman respectively of the 187,000-member AMERICAN INSTI-TUTE OF CERTIFIED PUBLIC ACCOUNTANTS (AICPA). PERKINS-GOODWIN COMPANY, New York, has appointed Mr Anthony DeLuca as executive

vice-president and chief operat-ing officer. He was with Andrews/ Nelson/Whitehead, as general manager. Mr Homer Bogart and Mr William Tailyonr have been appointed senior vice-presidents responsible for peper sales and for development and inter-

ing partner, Seidman and Seid-

for New Zealand from January 1. He will be succeeded as manager for the UK and Republic of Ireland by Mr R. P. H. Sterckx, currently assistant manager.

Mx Dieter xur Loye has become president and chief executive officer of AMERICAN HOECHST CORPORATION. He succeeds Mr John G. Brookhuis who becomes vice-chairman. Dr Hubert E. Huckel and Mr David Markowitz were named senior Markowliz were named senior executive vice-presidents of the • Mr Stephen L. Joseph, Mr Lee H. Kimmell and Mr John J. firm. Dr Huckel will also serve Veatch Jr have been made managing directors of SALOMON as deputy to the CEO. Mr zur Loye has been senior executive BROTHERS INCORPORATED. have been made sometime in 1983.

Mr Allan H. Fine and Mr James

L. Massey have joined the policy
Mr William R. Bonnell has been made sometime in 1983. vice-president and chief operating officer since January 1980. He joined American Hoechst in making executive committee. 1975 as group vice-president and • Mr Donald P. Brennan has chief financial officer. Prior to joined MORGAN STANLEY of

formed group which will offer AG since joining in 1955. specialised investment banking services to the forest products American Hoechst is a subsidiary of Hoechst AG of West Germany. industry on a world-wide basis. Mr E. Marray Gullatt bas been Before joining Morgan Stanley, Mr Brennan speni 15 years with nemed chairman of SOUTHPORT EXPLORATION TULSA. He was the International Paper Compreviously president of the company, where he was a vice-chair-man of the board and a member pany and will continue as chief executive officer. Mr Ben C. of the management committee. Groenewold has been appointed president and chief operating officer. He previously served as senior vice-president, explora-tion. Prior to joining Southport subsidiary, Crocker Bank. Mr Roger M. Kirkpatrick was named in May. Mr Groenewold was executive vice-president of

that, be had held a series of

executive positions in Hoechst

an executive vice-president. In major restructuring last month, Weeks Petroleum Limited.
Previous experience was with
Natomas and Amerada-Hess.
Southport, oil and gas exploration company, is a wholly-owned
subsidiary of Vulcan Materials Mr Brooks assumed responsibility for the bank's new personal banking division, the real estate industries division, the services management division Company. and other units serving individual customers. Mr Kirk- Mr James Todd, e director of Lazard Brothers and Co, bas been patrick is head of Crocker's new business benking division.

appointed a director and execu-tive vice-president of KOREA The FIRST NATIONAL BOSTON CORPORATION bas MERCHANT BANKING CORP-ORATION. Korea Merchant Banking Corporation is a joint venture between five Korean elected Mr Martin A. Alien a director. He wes also elected a director of the corporation's prin-cipel subsidiary, the First companies and five commercial cipel subsidiary, the First National Bank of Boston. He is Korean banks owning 50 per cent of the equity, and Barclays Bank International and Lazards each chairman of the board of Cominternational and Lazards each bolding a 25 per cent interest. Mr Todd has relinquished his executive position at Lazard Brothers and Co, of which be remains a director, during his secondment in Seoni.

Mr Rholan E. Larson, managing partner Larson, Managing partner Larson, Allen putervision, a high technology company which be co-founded. WOODSIDE PETROLEUM,

Melbourne, has decided to re-organise its two Perth-based operating subsidiaries for the north west shelf project to ing partner, Larson, Allen, Weishair and Co (Minneapolis) and Mr Bernard Z. Lee, managamalgamate the offshore and onshore operator functions into a single company which will retain the existing name of Woodside Offsbore Petroleum Pty (WOP). Woodside LNG Pty (WLNG) man (Houston) have been elected which is responsible for the construction end operation of the onshore gas treatment plant at Withnell Bay will become a subsidiary of WOP, Mr P. P. Tapper has been appointed general manager of WOP the integrated operating company. He will be seconded from the Shell Group to teke up bis duties in Perth during November. He is currently engineering director of Shell Exploration end Production, London, e subsidiary of Shell, UK. Mr R. P. Harrison who hes

SIA has been appointed manager Mr A. J. W. Ploom who is general manager of WLNG and who left appointed to the board of the Shell Group on reaching INTERFOOD SA, Lausanne, as retirement age last year to become a Woodside staff member, will remain with WOP for the completion of Domgas engineer-ing, and as manager LNG planning responsible for all LNG metters until other arrangements Jacobs becomes honorary chairhave been made sometime in

ioined EUROPEAN AMERICAN BANK, New York, as senior vicepresident-human resources. He is responsible for the bank's com-New York to head a newly pensation, benefits, staff training and executivo development pro-ITT's Hartford Insurance Group. ● Mr J. R. Peers, an assistent director of Baring Brothers &

Co. London, has been appointed a director on his appointment as adviser to PERTANIAN of the management committee. adviser to PERTANIAN

CROCKER NATIONAL CORP.
BARING SANWA BERHAD in
ORATION, LA, bas named Mr.
Kuala Lumpur. Mr. R. W. D.
David A. Brooks vice-chairman of
the corporation and its major
subsidiary, Crocker Bank. Mr
BARING BROTHERS ASIA'S Singapore office.

• Mr Malcoim E. Summers has been appointed bead of treasury and executive vice-president at MIDLAND BANK'S New York branch, to be opened leter this year. He was previously chief manager, exchange at Lloyds Bank International in London and before that vice-president in charge of foreign exchange at Lloyds end BOLSA International in New York.

• HONEYWELL INC. of Minneapolis has elected Dr James J. Renier vice-cheirman. He was also elected president of informaand elected president of information systems. Mr Stephen G. Jerritts, president of information systems since 1980, will become senior vice-president. Mr William R. Smart, a senior vice-president in information systems, will

become an assistant to Renier. • Dr Hans Widmer is to succeed Mr Fred J. Meyer as managing director and manager of WANDER AG, the Berne-based subsidiary of Sandoz AG. Mr Meyer is leaving the Sandoz group and moving to the U.S. Dr. Widney will sandoz in charge of Widmer will remain in charge of technology and group strategy at Sandoz beadquarters. Dr Armin Ressler has resigned, as of October 31, as head of Sandoz Pharmacentical marketing, he will be succeeded by Dr Hans-Peter Sigg, management president of Sandoz SA, Seo Paulo. Mr Jean-Nicolas Ludwig, general manager of Ford Portugal, has succeeded Mr Dieter Ullsperger as chairman and menaging director of FORD MOTOR COMPANY (Switzerland), Zurich. Mr Ullsperger is leaving Ford to join Kloeckner-

Thomas Baer, Dr Paul Eisenring and Dr Nikolaus Senn have been representatives of Jacobs AG, Zurich, following the merger of the chocolate and coffee groups, Mr Philippe Midy succeeds his fether Mr Picrre Midy on the Interfood board. Mr Walther J. man of Interfood. Resigning board members are Mr Bernard Leveque. Mr Rene Begle, Mr Sorge Benard, Mr Jean Bes, Mr Raymond Delachaux and Mr Max

Texaco Inc. has formed a new operating division, TEXACO MIDDLE EAST/FAR EAST. Mr grammes. He was director— Elton G. Yates, vice-president of organisation and personnel for Texaco Inc, has been appointed president of the new division and two other senior executives Mr Early L. Johnson—senior vice-president; and Mr Paul E. Baker Jr—vice-president. The division's headquarters will be in New York. Mr Annon M. Card. an executive vice-president of Texaco Inc. has been appointed president of TEXACO EUROPE. He succeeds Mr John D. Ambler. who was recently appointed chairman and chief executive officer of TEXACO LTD in the

> Dr Francois L'Eplattenler, Mr
> Anton Schaerli and Dr Werner Schmassmann are to be appointed managers of CIRA-GEIGY, Basie, from January 1

 Mr Michael T. Martin has been appointed director of employee activities for WARNER COM-MUNICATIONS INC.

 INLAND STEEL COMPANY has elected Mr Henry C. Goodrich a director. He is officer of Sonat Inc. Sonat Inc., a \$35m energy, services and resources concern headquartered in Birmingham, Alabama.

• Mr Bernd Chorengel has

become executive vice-president and chief operating officer of HYATT INTERNATIONAL COR-PORATION, Chicago. He is currently senior vice-president of Hyatt Internetional (with responsibility for the company's operations and development in Europe, Africa and the Middla East), and general manager of the Hyatt Cariton Tower Hotel in London, positions be has beld since January of this year. Prior to this he was area vice-presit , dent, with responsibility for the ... company's operations in south east Asia and general manager of the Hyatt Regency Singapore.

 Mr Larry F. Bordge, project manager for EG and G of Massachusett's planned New England Energy Park, has been named president of EG AND G SYNFUELS, the compeny's subnetional activities.

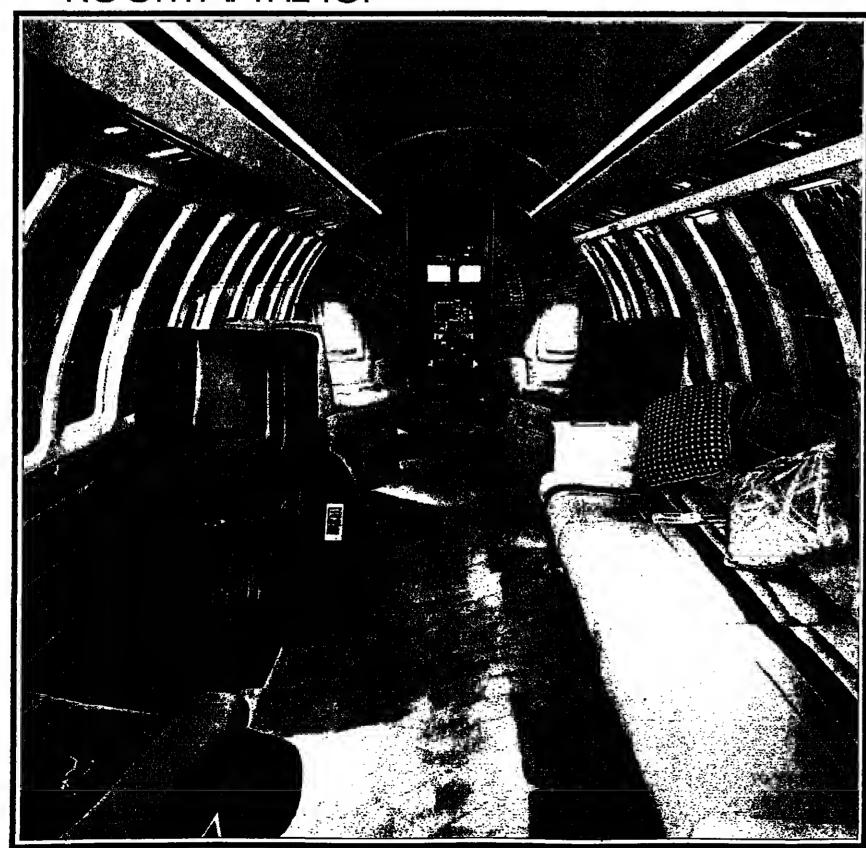
been general manager of WOP leaving Ford to join Kloecknerin-its role as offshore operator, Humboldt-Deutz io Germany.

NATIONAL MUTUAL LIFE will become technical manager

Mr Klaus J. Jacobs. Mr vice-president.

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#### COMPANIES INTERNATIONAL COMPANIES AND FINANCE

#### RSV back in the black for first half

and resources group, has made a strong return to profit in the first seven months of this year. Excluding results from its highly successful Brazilian subdiary, it recorded earnings of FI 5.2m (\$21.9m) compared with losses of FI 53m a year before. Including the Brazilian results, net profit reached

At the same time, RSV confirmed that it has reached an "understanding" with a group of U.S. investors for the sale of its manority holdings in five U.S. coal mines. The price is expected to be around FI 350m

Under the proposed new arrangement, RSV will continue to provide excavators for the mines, and the hope is that new capital will mean an increased ability to honour contracts.

The state of the s

Yesterday's announced return to profit by RSV follows a wide-spread improvement in the operations of five of the seven.

Dutch divisions. A loss of
FI3m was made in the ship
repair division and FI 12m was
lost in shipping. Several
engineering and offshore subdivision bossessor did sidiaries, however, did extremely well, contributing the bulk of the FI 5.2m in first-half

The Brazilian end of RSV has been doing well for some years. During the first seven months of last year, it contributed F148m to earnings, and this year's equivalent figure bas risen to FI 60m, ebout 12 per cent of which is expected to be repatriated to the Netherlands. Last year, losses Fl 48m were recorded on Turnkey projects in Algeria. This year, the ness and capacity offered; the 757 of Boeing and the stretched Algerian factor has been company warns that its perform- DC-0 80 version of the McDoncleared from the books and ance has been affected by re- nell-Douglas aircraft already in RSV seems set to continue in newed strains on air transport service with Alitalia. A more

IRI OUT OF RED NEXT YEAR, SAYS MINISTER

L231bn.

# Italy sees end to state sector losses

BY JAMES BUXTON IN ROME

reduced net losses in the first half of 1982: The figures were announced sterday by Sig Gianni de

Michelis, the Socialist Minister of State Shareholdings. He used them to support his contention that after 21 years as Minister he had turned round the state industrial sector.

He expected IRI (Istituto per la Ricostruzione Industriale) the industrial conglomerate, to make a profit in 1983 for the first time for 10 years and for the whole state sector to produce a net profit in 1984 and

But the Minister also disclosed that the Government had been obliged for the second time in three weeks to adjust sharply downwards the projected full year losses for 1982 of IRL It is now expected to lose L2,476bn, against e forecast last month of L2,148bn (\$1.5bn), and earlier hopes of L1,700bn.

ITALY'S three debt-ridden state In 1981 it lost a record vious figure of about L400hn Michelis expected IRI to make holding companies, IRI, ENI L3,134bn. for its losses last year, it is now a profit of L545bn, ENI to lose bolding companies, IRI, ENI 13,134on, and EFIM, produced alightly in the first half of this year, IRI had a net loss of L1.140bn. ENI (Ente Nazionale Idrocarburi), the state energy com-pany, loss L340hn and the much smaller EFIM, which is mainly involved in aluminium, lost

> Though EFIM's half-year losses increased compared with the same period of 1981, those of IRI and ENI fell. The total loss of the three companies over the six-month period was L1.711bn, compared with 1.2.192bn in the first half of 1981.

> Sig de Michelis said that the total losses for the three com-panies for the full year would be L4.299bn, compared with L5,216bn in 1981. ENI would lose L1,443bn, and EFIM The Minister indicated that

his Ministry was now working on a more conservative basis for the accounts of ENI. This means that instead of the pre-

deemed to have lost L1.756bn. taking into account factors like stock depreciation and [500hn for the losses of the SIR and Liquichimica chemical concerns which it had to take L1.860hn within an overall under its wing in 1981. On this basis, ENI is expecting a reduced loss in 1982.

The Minister based these preduced loss in 1982.

The losses of IRI were in large part because of the bad financial performance of its steel subsidiary Finsider. The recent worsening of the steel situation, which is to result in 12,000 layoffs in the next three months, explains the deterioration in the forecast for this ENT's losses were attributed

to its chemical operations and the need last year to purchase large quantities of oil et very sustained on the Italian market. EFIM had been hit by the collapse of demand for alu-

minium.

L212bn, making an overall loss of the state sector of only L51hn. By 1985 he envisaged IRI making no less than

dictions on the expected success of restructuring and refinancing programmes already well under way, as well as recovery in the steel industry. Thanks in part to a refinancing package for Finsider which the EEC had yet to approve, the steel sub-holding company should no longer be a burden on IRI. and other companies, currently operating around the break even mark or making losse dwarfed by those of steel

should do better. ENI should benefit from the restructuring of the chemical industry through Enoxy, a joint venture with Occidental, of the U.S., and through the shutdown Next year, however, Sig De of other chemical capacity.

#### Alitalia warns of lower profit Norwegian insurer in

BY RUPERT CORNWELL IN ROME

ALPTALIA, the Italian state in the value of the dollar. This version, yet to be given the arrive, yesterday announced a bas pushed up costs, as well as definitive go-shead, of the burden of debts denominated in the burden of burden

when Alitalia reported a bal-ance sheet profit of LL2hn. manufacturers.

Despite a rise in both busiThe main contenders are the

profit for the remainder of 1982. In Italy, as well as by the rise remote possibility is the A-320 McDonnell-Douglas.

space company, and other Italian concerns.

Aeritalia aiready has a significant share of Boeing's 767 project, which could bring it \$1.5bn of business as orders come in for the aircraft. Similar offers could

7.9m and source-

holders had their dividend

halved to FI 4 a share.

The two companies' turnover, General accounted

One immediate consequence of the deal is that Christiania General will go ahead with plans to build a NKr 200m, 22,000 sq metre office block on e site it owns in Terrytown, 22 miles from New York City. Riumione Adriatica di Sicurta expects 1982 results to improve. Last year the Italian

are 2 per cent ahead at Fl 1.22bn share. The company, which is part of the industrial-financial group of Sr Carlo Pesenti, said that premiums in the half year amounted to L1,190bn, up 21 per cent on the corresponding

#### U.S. deal By Fay Gjester in Osio IN A move which will almost

double its turnover in the U.S. Norway's Storebrand-Norden insurance group has bough Switzerland General, the U.S. subsidiary of the Swiss insur-ance concern Schweitzerische Allgemeine.

It is merging the new acquisi-tion with Christiania General, its own subsidiary in the U.S. which has for years maintained close business links with Switzerland General.

last year, totalled NKr 400m (\$57.1m) of which Christiania NKr 250m. Both deal mainly in

insurance group posted a net profit of L3.52bn and distributed a dividend of L1,400 a

Net interest costs in the third period of 1981.

#### Hoogovens set to receive FI 1.3bn in Dutch aid

BY OUR AMSTERDAM CORRESPONDENT

HOOGOVENS, the Dutch steel if approved by Brussels, will group recently separated from be placed in e contingency reits involvement with Hoesch of serve fund West Germany, is now under-A number of other European stood to be considering an offer steel concerns have similarly of nearly F1 1.3bn (\$465m) in asked the Commission to en-

The Bank of Nova Scotia Group

June 1982

Bayerische Landesbank Girozentrale

multibank

U.S. \$20,000,000

**EURODOLLAR CREDIT FACILITY** 

Blyth Eastman Paine Webber

Lloyds Banks International Limited

Lloyds Bank International Limited

sid from the Dutch Government, dorse various programmes of In the summer, Hoogovens state aid, and a decision on announced that it needed Hoogovens is expected soon. FI 1bn in state assistance, but Viscount Etienne Davignous, the the European Commission in Commissioner for Industry, will Brussels is now said to have have to agree that the state aid been asked to approve a deal requested does not contravene European competition rules on worth en extra FI 300m.

Most of the additional money, subsidies.

#### Oce third quarter shows that recovery continues

BY OUR FINANCIAL STAFF

PROFITS continue to recover et Oce van der Grinten. For the third quarter of 1982 the Dutch reprographics group has Turnover fell 2.6 per cent to FI 389.8m in the third quarter, but for the nine months sales turned in net earnings of FI 9.8m (\$3.5m), against FI 6m. The performance takes mine-

earnings up from F1 19.6m to F1 29.9m and underpins Oce's forecast of profits of between FJ 40m and FI 45m for 1982 as a whole. Last year, Oce dipped into
the red following heavy provibeen distorted by the strength sions against Ozalid, its UK of the guilder.

quarter rose by less than I per cent and were up 18 per cent in the first nine months.

totalled F1

# Nokia sales move ahead

largest private sector industrial group in Finland, increased its

sales in the May-August period. Parent company sales rose to FM 2.79bn (\$576.4m), np 18 per cent compared with the second four months of 1981. Group sales were up by 15 per cent to

Seven divisions-forest products, rubber, cables, machinery, metal products, electronics and engineering showed improved sales, with engineering increasing its turnover by as much as the 1981 result." Group net 819 per cent. The group's eighth profits in 1981 totalled FM 57m

CORPORATION, the division plastics, suffered a per cent drop in sales.
The outlook for the whole of 1982 is "relatively satisfactory in spite of the recession Estimated net turnover for the parent company is FM 4.4bn and for the group FM 6.5bn, both an increase of 11 per cent, close to the target set at the beginning

of the year. Mr Kari Kairamo, president and chief executive, says: "The new profit of Nokia group is expected to spproximate the budgeted figure end will match the 1981 result." Group net

Dresdner Bank income still rising

corded in the first half of 1982 satisfactory. Renter reports draw on hidden reserves this from Berlin.

DM 392m (\$154m).

The bank said it was too early to forecast the dividend for

This announcement appears

as a matter of record only

THE FAVOURABLE trend in 1982. It added that losses from Dresdner Bank's earnings re- AEG-Telefunken's decision to seek a court settlement with continued in the third quarter its creditors can be absorbed by and full year results should be the bank without having to

The parent bank's partial operating profit for the first half 1982, excluding results of trading operations on its own account rose 41.4 per cent to

All of these securifies having been sold, this announcement appears as a matter of record only.

New Issue / September, 1982



\$300,000,000 Atlantic Richfield Company

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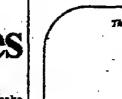


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## Norsk Hydro a.s

nt complies with the requirements of the Council of The Stock Exchange of the

U.S.\$100,000,000 12¾ per cent. Bonds 1992 Issue Price 100 per cent.

The following have agreed to subscribe or procure subscribers for the Bonds:

Hambros Bank Limited Swiss Bank Corporation International Limited **Amro International Limited** 

Banque Paribas

Credit Suisse First Boston Limited Den norske Creditbank Deutsche Bank Aktiengesellschaft Salomon Brothers International

Application has been made to the Council of The Stock Exchange of the United Kingdom and the Republic of Ireland for the 100,000 Bonds of U.S.\$1,000 each constituting the above issue to be admitted to the Official List, subject to the issue of the temporary global bond. Interest is payable annually on 1st November, the first such payment being due on 1st November, 1983.

Particulars of the Bonds are available from Extel Statistical Services Limited and copies may be obtained during normal business hours on any weekday (Saturdays and public holidays excepted) up to and including 22nd October, 1982 from the Brokers to the issue:-

Rowe & Pitman, City-Gate House, 39-45 Finsbury Square, London EC2A IJA.

6th October, 1982

Strauss, Turnbull & Co., 3 Moorgate Place, London EC2R 6NR.

This announcement appears as a matter of record only.

#### **United Technologies Corporation**

has sold the central-office switching business of its

Stromberg-Carlson Division

The Plessey Company plc

The undersigned acted as financial advisor to United Technologies Corporation in this transaction.

ROTHSCHILD INC.



Affiliated companies in

London Paris Zurich Hong Kong Singapore Sydney

October 4, 1982

Currency trading boosts profits

# Swiss banks continue to expand

BY JOHN WICKS IN ZURICH

PROFITS of Switzerland's 564 banks and financial companies rose substantially for the second year running in 1981, according to a report issued by the Swiss National Bank

The growth stemmed largely from a considerable increase in earnings from foreign moneymarket paper and from com-missions. Gross profits went up by 15.2 per cent following a 17.3 per cent rise in 1980.

Net carnings showed an increase of 8.4 per cent to some SwFr 2.61 bn (\$1.18bn). Of this total, as much as SwFr 1.04bn
— almost 40 per cent — was
accounted for by the "big
five" banks: Union Bank of Switzerland. Swiss Bank Corporation, Credit Suisse, Swiss Volksbank, and Bank Leu.

The combined balance-sheet lotal of the Swiss banking system rose by 14.4 per cent to SwFr 559.9bn. This growth was, however, due partly to the banks' inclusion for the first time of gold trading accounts. Without these the rate of in-crease would have been 9.3 per cent. Of the balance-sheet total, SwFr 282.2bn represented the five major banks: the country's 29 cantonal banks accounted for SwFr 111bn.

the banks and finance com-panies went up from SwFr 3.01bn last year. After the addition of SwFr 2.22bn for net capital exports by non-banks ties investment fund managed and the deduction of SwFr by Credit Suisse, is to increase 146m in monetary reserves, the its dividend by some 45 per

surplus on current account was cent to SwFr 27.50 for the year SwFr 5.09bn. This represents a ended August, 1982. This is the

in the combined balance-sheet total increased last year from

folio towards high-yield securi-USSEC plunged heavily into straight-bond investment last year with a consequent rise in the fund's overall bond position

The fund's total assets eased

#### Daihatsu in **SA** venture with Alfa

By Bernard Simon in

ALFA ROMEO'S South African subsidiary has signed a licensing agreement to assemble Daihaisu passenger cars at its plant at Brits, west of Pretoria. Production of the Daihatsu "Charade" is scheduled to Friday. begin in September 1983. The The

launch entails an investment of

local production capacity. The company currently has less than 3 per cent of the Sonth African car market. Its dealer

# Banks meet to decide fate of Harvester Australia

BY LACHLAN DRUMMOND IN SYDNEY

creditor banks of International Harvester Australia will have a crucial bearing on the future of the truck and farm machinery group, which was receivership last

The attitude of the bank will determine creditors Dr Vito Bianco. managing director of Alfa Romeo South Africa, said the agreement would maximise Alfa Romeo's local production capacity. The likely construction is international Harvester Credit Corporation affiliate will receive the roughly A\$20m (US\$19m) needed to remain viable in the immediate future as well as

possibly equity injections from its bankers if it is to continue either as a local magnifacturer or as an importer and distributor of goods from its troubled U.S. parent.

The credit affiliate, which is not in receivership, needs A\$9.2m to belp pay A\$20m of debenture interest and principal now due. Receivership and liquidation will face the company if it cannot provide the funds by Monday. Australian local commercial banks and domestic and foreign-affiliated merchant banks are owed roughly A\$300m (US\$285m) in equal parts by the two Harves ter companies.

The credit subsidiary could possibly return between 80 cents and the full amount on the dollar on liquidation, whereas the manufacturing side would yield only about 25 cents in the dollar to creditors on a break-up. It is valued at A\$235m

as a going concern.

Representatives of the Government in the state of Victoria, where Harvester's plants are located, were meeting with the receivers and company executives last night to see whether anything could be done to belp save the jobs now under threat.

Harvester's truck, farm and construction machinery manu-facturing operations, bowever, must be considered to be under threat, given the U.S. parent company's desire to rationalise manufacturing in America and Europe. in North Already the Australian off-

an increasing share of its farm equipment and truck needs and has trimmed its workforce by ground one fifth to 3,500 as part of its attempt to reduce costs.

The cost cutting programme aimed at a recovery for Harvester in the current year—an ambition torpedoed by drought. poor grain prices, the dwindling of the resources boom and tough competition in the truck

In the year to October 31, 1981, Harvester van up a loss of A\$18.3m on sales of A\$313m, of which trucks made up A\$180m and farm equipment

It has strong positions in both markets, but there are 23 competitors in the truck sector and 42 rival suppliers in the farm tractor market, both of which have turned sharply

As well as the local com-mercial and merchant banks, foreign groups such as Barclays-Australia, Lloyds, Grindlays, and Swiss Bank Corporation, are believed to be involved foramounts varying from A\$5m-to A\$8m. The large number of banks involved, and the varying levels of commitment are sure to provoke dissent at the meeting—particularly from those with unused credit lines extended to Harvester. Yet the prospect of losses of between A\$100m to A\$150m on losses to Harvester may provide the spirit of co-operation the

#### Disappointing six months performance by HLH

HUNT LEUCHARS HEPBURN (HLR) which is one of South Africa's largest timber products and building supplies groups, suffered inadequate perform-ances by all its divisions in the half-year ending August 31, says Mr Chris Perry, the chairman. In March, it acquired 84 per cent of the building products sup-plier, Blaikie-Johnstone, the resuits of which fell well short of expectations.

HLH's own half-year turnover from its timber, steel and buildfrom its timber, steel and busiding supplies operations, rose by
8.5 per cent to R189.9m
(\$163m) from R175.1m in the
corresponding period of 1981.
Excluding Bialkie, HLH's
operating profit hefore interest
and tax rose by 11.2 per cent to
R18.8m. For the year ending
February 1982 turnover was
R353.9m and operating profit R353.9m and operating profit An unchanged interim dividend

estimated R43.1m for the corre-sponding period of 1981 and February 1982 earnings totalled R65.2m for the eight months 184.5 cents a share and a total ended February 1982.

First-half operating profit was R4m against a corresponding year-ago figure of F45m, and an eight-months' figure of R6m. Blaikie has changed its finaucial year-end from June 30 to Pebruary 28 to correspond with that of HLH.

Mr Perry says the decline in the South African economy was greater than expected. He is dissatisfied with the half-year's performance, and says that management did not react fast enough to changing condi-tions in the building sector. It, is, however, management's aim to maintain the current year's contributable after-tax earnings at the level of R17.4m, as achieved in the year ended February 1982. First-half attributable earnings were R8m.
It is also management's inten-tion to maintain the dividend.

R34.5m. of 16 cents has been declared Blaikle's turnover for the six though first-half earnings per months was R49.2m, against an share fell to 56.4 cents from dividend of 50 cents was paid.

#### Divestment move by Filipino bank

By Leo Gonzaga in Manila INTERNATIONAL Corporate Bank (Interbank), the target of a partial bid by Lloyds Bank Interpational of the UK, has offered for sale to the state-owned National Development Company (NDC) its holdings in

Il entitles formerly belonging to the Herdis conglomerate. Those placed on the surtion block were Acoje Mining Com-pany, Asia Industries, Fuergy Corporation. Mulmatural Corporation. Multinatural Resources Corporation, Refractories Corporation, San Jose Oil Company, Seafront Petroleum Corporation, Seminara Coal Corporation, Summa Insurance Corporation, Usiphil and Vulcan Industrial and Mining Corporation.

It is understood that Interbank would be paid with NDC bonds carrying no interest and with a 25-year maturity. However, the sale would reduce to nil the 22 per cent stakes helds by NDC in Interbank's divestment is seen as a move to attract the

seen as a move to attract the British bank as a 40 per cent equity participant. Apart from NDC, the other Interbenk share-holder is the Government's Development Bank of the Philip-

DBP has been authorised by the Central Bank to engage in limited commercial banking operations. This means that apart from providing development financing, DBP was new accept peso deposits, foreign currency savings, and time deposits. deposits.

According to the Central Bank, the state-owned DBP can engage in international banking, too, as soon as its charter has been amended to this effect.

#### Sharp fall in Singapore store earnings By Georgie Lee In Singapore

ROBINSON, the large Singapore department atore operator and investment group, has reported a charp fall in earnings for the year ended June 1982.

The group suffered an operat-ing loss of \$\$313,000 (U.S.\$144,000) against a profit of S\$3.04m in the previous year. Thanks to a 38 per cent rise in investment income to almost \$\$4.3m, however, group pre-tax profit went down by only 35 per

cent to almost S\$4m After tax profits declined 40 per cent to \$\$2.7m. Including an extraordinary gain of \$\$2.8m, profit after taxation and extraordinary items emounted to \$\$5.5m, a 25 per cent amprovement over the previous

Turnover was down 2 per cent to S\$69.7m. The group has proposed a final gross divi-dend of 6 per cent.

Reflecting the same downward trend in retail earnings, C. R. Tang, another large department store operator, has also reported a sharp fall in profits for the half-year ended June 1982.

Trading profit fell 57.6 per cent to \$\$1.07m while investment income and interest plunged 66.5 per cent to \$\$71,000. As a result, group pre-tax profit fell by 58 per cent to \$31.15m.

C. K. Tang said that profits have been affected by both higher operating costs and additional expenses incurred prior to the relocation of its department store to near the cost of the co ment store to new premises, which were opened in June this year. The group expects little change in performance in the second half-year.

27.45

4.

#### Solel Boneh ahead of inflation

BY L DANIEL IN TEL AVIV.

SOLEL BONEH, the construct by the Labour Federation, the tion subsidiary of the Israel 250-plant industrial network Labour Federation, lifted net profits by seven per cent in real crease of only 70 per cent in terms in the first half of 1982, net profit to Shi 436m in the to Shi 436m (just over \$200m at half year, compared with inflation end Junic exchange rates) tion of 110 per cent in the 12 Income for the period tutaffed months to June. Failure to Shi 10.25m a rise of 10 per cent keep up with inflation was in real terms.

Another concern controlled cent in financing expenses.

Net capital transactions of 2.35bn in 1980 to over SwFr

turoround of more than SwFr 6bn, since in 1980, there had been a current account deficit of SwFr 905m. The volume of foreign assets

SwFr 182.5bn to SwFr 203.9bn and that of foreign tiabilities from SwFr 141.9bn to SwFr 172.7bn, Excluding inter-bank business, foreign deposits dropped sharply from SwFr 11.8bn to SwFr 3.8bn, however. and loans to foreign clients tailed off to SwFr 3.6bn. against SwFr 11.8bn in 1980. • USSEC, the American securi-

highest pay-out per certificate by the fund since 1971-72 and it has oeen made possible by a sharp rise in earnings resulting from a shift in the fund's port-

from 7.4 to 16.4 per cent of the total portfolio. Within equily holdings, the share of oil-com-pany stock was reduced from 29.5 to 18.4 per cent.

from SwFr 44m to SwFr 37.4m, than 3 per cent of the South IHA needs A\$10m to fund its a decline of 15 per cent which African car market. Its dealer immediate working capital takes the fund back to the asset value levels of 1979-80.

The finds total assets cased than 3 per cent of the South IHA needs A\$10m to fund its a decline of 15 per cent which has a decline of 15 per cent which has a decline of 15 per cent which has a decline of 15 per cent of the South IHA needs A\$10m to fund its a decline of 15 per cent which has a decline of 15

**CANADA** 

This announcement appears as a matter of record only.

# U.S. \$4,000,000,000

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NORDICAMERICAN BANKING CORPORATION THE RIGGS NATIONAL BANK THE SUMITOMO BANK OF CALIFORNIA

Agent

September 14, 1982

CITIBANK, N.A.

# Money growth fears allayed and market recovery gathers momentum throughout quieter session

Account Dealing Dates index regained 0.29 of the prebefore rallying to close a net 6 lower to record a two-day fall of lative support also helped Mettoy

"First Declars Last Account vious day's fall of 0.76 to close better at 306p. Hambro Life improved 4 to 256p awaiting for lative support also helped Mettoy

Bay at 79.07.

Leguites pursued a broadly day's inferim statement.

Leguites pursued a broadly day's inferim statement.

Leguites pursued a broadly day's inferim statement.

Leguites pursued a broadly day's inferim statement. Dealings tions Dealings Day at 79.07.
Sept 20 Sept 30 Oct 1 Oct 11 Equities pursued a broadly

pectations, in sterling M3. The news cheered London stock markets which had been searching all day for some reason to recover after Monday's shake-nut on gloomy economic reports and rights choose the state of the

Firm U.S. bond values at yes-terday's opening contributed to the recovery which enabled Giltsecurities to more than regain early losses, sometimes of it to close higher on balance.
Trade was relatively light, but it allowed dealers to edjust book positions distorted by Monday's increased offerings. The high-coupon Exchequer 15 per cent Faber, to 480p. Minet closed 7-1997 touched 121% prior to closling is up on the day at 122%, while shorter-dated Treasury 12 per cent Convertible 1986 rallied earlier profits forecast ahead of per cent Convertible 1986 rallied

Government Secs.

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Earnings, Yld & (fulf)

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Sept 30 Oct 1 Oct 11

Oct 4 Oct 14 Oct 15 Oct 25

Oct 18 Oct 28 Oct 29 Nov 8

"New-time dealings may take place from 9.30 am two business days inferim statement.

Fears about escalating money growth in the month to mid-September were allayed yesterday by the afternoon announcement of a 1 per cent rise, which was near the lower end of market exceptions to the second of market exceptions to the second of market exceptions to the second of the secon

and rising short-term American contrasting fortunes with BTR interest rates. The Federal Reserve Board's failure to alleviate tighter credit in U.S. money markets was responsible for the latter situation, arousing fears of increased restraints.

Firm U.S. bond values at yes.

#### Lloyds Brokers firm

earlier profits forecast ahead of tomorrow's interim figures. Elsefrom 1085 to end unaltered at tomorrow's interim figures. Else-1091. The better tone continued where, Eagle Star became an in the after-hours' business and erratic market in Composites, the FT Government Securities drifting to a 1982 low of 297p

78,78 79,54 79,87 79,95 79,73 60,96 80,10 80,28 80,53 80,43 79,99 62,50 e70,6 579,4 676,1 581,1 587,6 475,0

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Daily
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Bargains
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S.E. ACTIVITY

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FINANCIAL TIMES STOCK INDICES

10 em 571.6. 11 em 571.1. Noon 571.5. 1 pm 572.3. 2 pm 572.8. 3 pm 574.4. Besis 100 Govt. Secs. 16/10/26. Fixed Int. 1928. Industrial 1/7/35.

Latest Index 01-246 8028, ....

Since Compliat's

High | Low

127.4 49.18 (9/1/45) (6/1/75)

60,45

576.8

362.3

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Gold Mines 12/9/58, SE Activity 1974.

HIGHS AND LOWS

High | Low

made a disappointing debut in the Unlisted Securities Market; after opening at the placing price of 84p, the shares drifted back to close at 80p.

Proceedings in the drinks sector were dominated by cider when the process of the proce

makers Merrydown Wive, which spurted 27 more to 252p on re-newed speculative buying fuelled by the chairman's confident out-look on future trading. Rivals HP Bulmer opened easier at 745p, but soon attracted interest and closed a net 5 up at 755p.
Breweries made steady, if unspectacular progress. Elsewhere,
Arthur Bell firmed a couple of
pence to 238p in front of today'e
annual results.

certain Building issues perked up in after bours' trading. Blue Circle closing 5 dearer at 452p and EPB 7 up at 455p. Insteck
Johnsen put on 3 to 57p; the
interim results are due on
October 21. Fresh demand in
front of tomorrow's half-yearly
results lifted Ruberold 4 for a two-day gain of 8 to 178p.

Down 8 on Monday on persistent small selling and lack of support, ICI railled 8 to 280p. Among other Chemicals, James Halstead touched 87p on the record annual profits, increased dividend and proposed one-for-four scrip issue before reacting on profit-taking to close a penny cheaper on balance at 83p. Brent Chemicals remained on offer in the wake of the interim state-ment and shed 2 more to a low for the year of 95p.

#### Stores better late

The encouraging trend in consumer spending shown in the latest set of retail sales figures prompted a firmer tone among leading Stores, although business for most of the session was described as minimal. Buyers showed interest after the official close, however, and Gussies A rose 10 to 615p, while Marks and Spencer, 20pp, and Debenhams, 91p, both rallied 4; the last-mentioned is due to amounce intioned is due to announce interim figures on Friday. Burton added 5 to 256p, while UDS, firm of late on takeover prospects,

rose 3 to 70p.
Newsagents, on the other hand, paused for breath and, following the lead of W. H. Smith, 8 lower or lead or W. H. Smith, 8 lower for a two-day fall of 16 at 242p, prices edged lower on scattered profit-taking. Renewed specula-tive attention lifted Bakers Househeld 4 more to 138p, but Austin Reed A shed 2 to 114p awaiting today's half-times. awaiting today's half-timer. A bearish Press reaction to Mon-day's disappointing interim results resulted in further selling

pected to announce an interim deficit next week, firmed 6 to 94p amid bopes of a favourable outcome of the Monopolies Com-

mission's investigation into the offer from Great Universal. Cornell dealings in which resumed on Monday after a lengthy suspension while the deal with Polly Peck was finalised, met further profit-taking and gave up 7 to 188p; the new nil-paid shed 5 to 88p premium. Polly Peck firmed 5 more to 640p. In the wake of Monday's fall

of 33, which followed a Press or 35, which followed a Fress suggestion that International Telephone and Telegraph is considering selling at least 40 per cent of its 75 per cent stake, Standard Telephones and Cables dropped to 560p yesterday before closing 17 down at 580p on the Susying consumers that the surprise announcement that the group has lost its place in the consortium supplying British Telecom with System X, the ad-vanced electronic telephone exvanced electronic telephone exchange. By way of contrast, Plessey, boping to benefit from STC's exclusion, jumped 20 to a 1982 peak of 600p. Elsewhere in Electricals, Bowthorpe fell to 263p before closing 7 down on

balance at 275p following the balance at 275p following the proposed £9.5m rights issue which accompanied the balf-yearly figures. Reflecting a broker's recommendation, ICL advanced 6 to 72p, while renewed demand in a thin market lifted. advanced 6 to 72p, while renewed demand in a thin market lifted Lec Refrigeration 13 to 260p.

With the exception of TI, which softened a couple of pence to 98p, leading Engineers staged a modest rally. Elsewhere, Molins fell 4 to 134p on further consideration of the interim results, while Dawler Governor softened while Danks Gowerton softened e penny to 31p following un-

nspiring trading news. Foods made an irregular showing. J. Sainsbury rose 6 to a high for the year of 32p, while revived demand lifted Argyli 4 to 107p. Associated British Foods found support and put on 4 to 172p. The lower half-yearly pro-fits and the chairman's gloomy statement on current trading clipped a couple of pence from Clifford's Dairies A, to 115p, while FMC dropped 4 to 34p on the increased annual loss and dividend omission.

#### BTR stand out

BTR stood out in miscellaneous industrials with a lete spurt of 16 to 366p on talk of favourable reports emanating from an analysts' kuncheon. Reckitt, and Colman continued firmly at 376p, up 10, while Boots improved 4 to 265p as did Rank Organisation, to 128p. Down 20 on Monday, Glaxo dipped 12 more to 828p, after 815p, following a "self" recommendation ahead of Monday's preliminary forces. figures. Despite the static in-terim profits, Sears improved to 89p and closed 12 dearer at 87p on the Board's encouraging remarks about second-half prospects. Elsewhere, Chubb featured with e jump of 9 to 114p on speculative buying fuelled by

issues, the ordinary rising 4 to 12p and the deferred 3 to 10p, while Securior put on 14 to 207p and the "A" N/V 8 to 203p. Recovery hopes in the wake of disappointing interim: figures helped Cape Industries to raily 6 to 72p, while Cape Allman

# helped Cape Industries to rally 6 to 72p, while Cope Aliman hardened a penny to 45p on trading news. Hong Kong issues responded to a Far Eastern rally. Jardine Matheson recovered 16 to 133p and Wheelock Marden "A" regained 5 to 33p.

Leisuretime were suspended at 73p pending publication of re-

organisation particulars.

London Pavillen came on offer and in a thin market, dropped 50 to 250p. Elsewhere in the Lelsure sector, dealings in

The outstanding performance in the heavyweights came from Western Deep which advanced }

South African Financials mirrored Golds. UC Investments

Interest in Motor Components centred on Dunlop, which closed unattered at 4Sp after having improved to 50p following the suspension of dealings in Dunlop SA on the Parle bourse amid rumours of a possible takeover for the French subsidiary; the Minorco eased a penny to 403p following the full-year results and maintained dividend. rumours were later denied by the British parent which requested the resizingtion of dealings. Other Motor Components took The marginal recovery in the builion price prompted a rally in Gold Fields which closed e up a firmer stance. Among Distributors, Frank G. Gates firmed 2 to 69p in response to the increased first-half profits. net 7 firmer at 425p, after 415p. Ashton Mining were un-changed et 61p on news that the Properties trended firmer, but Ashton diamond venture partici pants have signed agreements

turnover remained thin. Land Securitles edged up 4 to 274p, as did MEPC, to 174p. Elsewhere, revived demand in a thin market left Bairstow Eves 3 dearer at 65p, while M. P. Kent gained the turn to 60p following the increased oreliminary profits and dividend and Estates and General Investments rose a penny to 54p on the satisfactory interim performance. Pennine Commercial hardened i to Sip following the sale of a housing site to Dares Estates for £875,000.
Hongkong Land and Swire Properties railied 8 apiece to the common price of 47p on firmer Far-Eastern advices.

#### Burmah good again

The Oil sector again featured Burmah, which met fresh speculative support on takeover bopes and put on 8 for e two-day gain of 13 to 133p, after 138p, Other Oils staged a moderate rally on thoughts that the sector as e whole was oversoid. Britisb Petroleum rallied 8 to 280p and Shell 4 to 388p. Lasmo rose 10 to 330p and Tricentrol 4 to 174p.

After opening around 14 lower of Spain had suspended drilling at the Viscava well in which the company has an interest, Marinex rallied well to close just cheaper on balance et 53p

for choice. Among secondary counters, A. Beckman provided Tobecos attracted support Shanghai Banking. Doubles during the afternoon and closed with good gains across the board. GKN, UDS, Endeavour and

prices lifted Bats 17 to 584n Imperial rose 3 to 108p in sympathy, while revived speculative demand saw Rothmans International advance 7 to 119p.

#### Golds steady

A steadier performance by the bullion price—up \$4 et \$391.5 an ounce—enabled South African Golds to consolidate around their overnight levels.

Activity in the sharemarket was at e low level and prices generally held steady to a shade firmer mainly reflecting the continued absence of any selling

to £204.

attracted persistent support and moved up 30 to 670p, while Gencor recouped 20 to 960p and De Beers 6 to 297p.

The Bermuda - domiciled

regarding the development, mining and management of the Argyle and Ellendale diamond Generally subdued for most of the session, business in Traded Options picked up towards the

elose and total contracts amounted to 1,738 comprising 1,248 calls and 490 puts. Land Securities, usually ignored option-wise, attracted strong support with 223 calls done, 173 of which were done in the October 280s. The relative strength of the underlying share price prompted useful gains in Lasmo positions; the November 280 calls rose 13 to 60p, while the November 330 calls closed 9 up

#### **OPTIONS**

Last Last For First Deal- Declara- Settle **Deal**ings ings tion ment Sept 27 Oct 8 Dec 23 Jan 10 Oct 11 Oct 22 Jan 13 Jan 24 Oct 25 Nov 5 Jan 27 Feb 7 For rate indications see end of Share Information Service

Money was given for the call in Cariton Real Estates, Cornell, ICL, Beniox, Smith St Anbyn, Thomas Borthwick, Celtic Haven Dunion, Stewart and Nairn, Can following a statement from the deca, Suter, Marling, Commercompany taking a less pessimistic view of the situation.

Textiles closed a shade firmer for choice. Among secondary Puts were taken out in Dixons Photographic, Pilkington, Foseco an outstanding firm feature, Minsep, Bodycote, Glynwed, 600 rising 9 to 83p following the in-

#### **EQUITIES**

RECENT ISSUES

# 

#### **FIXED INTEREST STOCKS**



#### "RIGHTS" OFFERS

lasue price	Am'unt pald up	Ren	test unc. ete	19 High i	Low Low	Stock	Closing	+•
117½ 100 81 18½ 170 25	NII NII	11/10 8/10 5/10 8/10	16/11	19pm 107pm 101spm 4pm 196	85pm epm Igpm 168	Afex Corp. \$A \$1.50	18 pm 88 pm 10 12 pm	-3 -3 -4

Renunciation date wausity last day for dealing free of stamp duty. It figures based on prospectus sections. It Dividend size paid or payable on part of capitals cover based on dividend on tall capital. It assumed dividend and yield. Indicated dividend: cover relates to pravious dividend. P/E ratio based on lettest annual earnings. If Forecast dividend: cover based on previous year's semings. Forecast dividends cover based on previous year's semings. For other official settimates for 1983. Q Gross. Tiggres assumed. It figures or report sweited, ‡ Cover allows for conversion of sheets set new renking for dividend or ranking only for vesticated dividends. Fixeing price. Plance unites otherwise indicated. I issued by under. Fixeing price. Plance unites otherwise indicated. I issued by under. Fixeing price. Plance unites otherwise indicated. I issued by under. Fixeing price. Plance unites of the indicated by way of repitalisation. Fixeintoducad. It issued to connection with reorganization marger or take-over. Fixeintoducad. It issued to former preference holders. Attictment letters. With warrants. It osslings under special Rule. & United Securities Market. #London Listing. It Effective issue pelce after scrip. I formerly dealt in under Rule 163(2)(a). It Unit comprising five ordinary and three Cap, shares. It issued free as an antitioment to pullinary holders.

#### ACTIVE STOCKS

Above everage activity was noted in the following stocks yesterday

252 593	- 1 +10 +27 + 3 -17
	252 593

#### MONDAY'S ACTIVE STOCKS

Based on bargains recorded In SE Official List

	Stock Poly Pack Gus A Freemens Cable Wireless ICI	18 14 13 12 12	635 635 505 108 313 274 384 567xd	Change +45 -15 -24 - 5 - 8 - 03	Stock Barratt Oevs, BP	11 11 17 10 10	Mon. close 360xd 272 291xd 424 418 840 205	Oay's change + 2 - 6 - 72 -11 - 8 - 20 - 5
١,	BAT Inds	11 .	567xd	+ 02	Marks Spencar	10	205	<b>–</b> 5

#### FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS		Tues	Oct 5	1982		Mon Oct. 4	Fri Oct 1	Thur Sept 30	Wed Sept. 29	(approx.)
Fjg	& SUB-SECTIONS  ures in perentheses show sumber of stocks per section	findex No.	Day's Change	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Index No.	Index No.	fadex No.	index No.	Andesc No.
1	CAPITAL 60005 (209)	423.54		9.07	3.93	13.75	425.20	433.87	433.10		315.79
2	Bullding Materials (24)	370,00	+0.7	12.07	5.27	9.95	356.25	354.06	352.61	352.71	273.31
3	Contracting, Construction (29)	648	-	14.10	4.79	8.40	648.57	654.19	655.77	650.91	49L83
4	Electricals (32)	TANADA	.+0.5	5.90	1.78	22.23	1818.99	3248.05			
5.	Engineering, Contractors (10)	499.55	-0.2	15.59	7.95	7.76	450.49	453.97	459.69	454.24	442.00 176.05
- 6-	Mechanical Engineering (67)	102.25	+0.5	12,65	6.15	9.50	191.30	193.38	194.12	195.87	348.37
. 8	. Metals and Metal Forming (11)	223,49	-0.4	16.35	9.69	7.39	125.97	131.04	134.84	136.73	89.36
9	Motors (3.9)	72.75	+8.5	3.69	9,67		72.33	73.47	73.70	74.95	
10	Other Industrial Materials (17)	348,46	+16	9.77	6,02	12.97	343,67	346.11	350.19	349.49	339.08 249.21
21	CONSUMER GROUP (202)	371.55	+0.9	10.97	4.71	11.01	368.18	37251	373.83	373.09	261.77
22	Brewers and Distillers (22)	402.90	+1.2	11.83	5.16	10.27	398.25	463.22	405.65	307.16	249.88
25	Food Manufacturing (21)	307.89	+0.2	15.01	5,89	7.79	307.A3	307.42	306.63	795.99	582.50
25	Food Retailing CL4)	811.09	+1.1	7.32	2.77	17.03	302.42	799.11	796.86 588.12	586.43	306.33
27	Health and Household Products (8)	585.36	+0.2	613	2.96	12.64	584.42	591.42	436.06	438.36	388.79
29	Leistre (24)	408.05	-0.2	10.01	5,41		42000	433.94	539.25	99.47	439 III
32	Newspapers, Publishing (33)	529.20	-0,1	12.24	6.06	30.36	529.72	536.18	142.23	142.53	123.52
33	Packaging and Paper (14)	141.39	<u> </u>	17.79	7.85	6.49	341.37	1/01.55	360.38	361.61	224.75
- 34	Stores (46)	353.23	+13	8.30	3.99	15.99	348.59	356.91	169.68	170.25	139.06
35	Textiles (29)	167.14	=	14.02	6.42	8.69	167,86	169.10	406.62	407.78	263.10
36	Tobaccos (3)	418.33	+31	20.52	6.61	5.40	405.62	413.92	293.26	291.59	249.97
39	Other Consumer CL49	288.61	-0.5	4.38	5.43	6216	289.95	290.67	263.32	265.16	204.04
41	OTHER EROUPS (76)	268.89	+0.7	13.33	6.53	9.43	259.19	261.77	333.10	332.74	- 250.58
42	Chemicals (15)	329.39	+1.2	15.14	7,35	7.85	325.46 77.19	331.93 96.97	98.16	46.09	96.62
44	Office Equipment (4)	99.25	+21	16.39	8.78 7.90	7.49 7.18	535.16	534.95	533.76	536.18	458.21
45	Shipping and Transport (13)	22.FR3	0.6	16.54	5.24	11.50	363.33	365.37	368.76	374.04	268.43
46	Miscellaneous (44)	364.54	+03	30.64					377.95	378.88	265.57
49	THIDUSTRIAL GROUP (487)	375,30	+0.7	10.56	464	11.53	372.51	377.07			680.84
51	Olfs (13)	672.72	+20	19.26	8.67	6.06	665.18	683,71	685.A7	690.17	
59	500 SHARE INDEX	400.32	+0.9	11.73	538	10.29	396.67	402.35	403.30	494.53	299.23
62	FINANCIAL GROUP (117)	246.23	+0.7	-	7.07	_	244.43	246.38	248.84	250.96	249.57
62	Banks(6)	252,27	+12	40.09	9.48	2.74	249.31	253,14	257.56	259.54	252,75
63	Discount Houses (9)	282.21	-15	_	8.28		206.59	286.24	286.24	263.22	232.16
65	Insurance (Life) (9)	308.26	+0.5		6,30	<u> </u>	298.81	300.50	302.51	394.34	257,28
66	Insurance (Composite) (10)	158.44	_	- 1	8.98	. <del></del>	158.49	159.06	161.29	162.63	157.60
67	insurance Brokers (7)	534.25	+2.9	11.80	4.96	22.81	518.98	21631	525.42	530.75	401.32
68	Merchant Banks (12)	139.51		- 1	6.36	- 1	139.51	140.76	141.79	142.86	145.21
69	Property (49)	400.35	+8,9	5.85	4.12	22.88	396.85	409.78	399.56	465.38	407.22
70	Other Financial (15)	158.24	+0.6	16.26	7.25	7.25	157.33	157.63	141.53	161.79	163.01
菏	Investment Tricks (LLL)	313.50	-0.4		5.25	- 1	314.62	316.85	320.65	322.14	272.43
aî l	Minist Finance (4)	211.82	+0.7	9.97	6,71	13.44	210.27	215.26	212.26	213.00	249,54
91	Oversees Traders (18)	353.31	-0.1	14.49	9,63	8.44	353.68	356.66	252.47	361.57	395.69
	ALL-SHARE INDEX (750)	358.69	+0.8		.555	_	355.82	360.47	361.81	363.30	267.43
99	ALL-2019KE DEMA (/20)								-		
	FIXED INTERE	ST				SE GRO PTION			Tues Oct 5	Mon Oct 4	(abbunc) ado Asia.

FIXED INTEREST								AVERAGE GROSS REDEMPTION YIELDS	Tues Oct 5	Mon Oct 4	(abbusr) ago Asa.
_	PRICE INDICES	Thes Oct 5	Day's change %	Mon Oct 4	ud adj. today	ud adi. 1962 to time	123	British Covernment Low 5 years	8.99 10.45 10.63	9.01 19.55 10.64	13.82 34.29 34.28
1 2 3	Schilah Bovernment Syens	114.35 124.49 135.24 136.71	+0.05 +0.36 +0.39 +0.07	112,32 125,01 134,71 139,62	1111	2.44 32,47 32.52 2.90	45.67.890	Mediane 5 years	11.45 10.93 11.57 11.67 11.68	1122	16.16 16.18 15.71 16.17 16.32 15.94 14.15
5		326,32 99,60	+0.26	125.% 99.53	-	9,30	11 12	Seks & Lates 5 years	12.44 12.57	12.66 12.57 12.53	16.66 17.66 17.08
<del>-</del>	Profession.		+8.52		-		걸	25 years	12.58	13.21	16.74

oes are published in Saturday Issues. A new list of G

#### **NEW HIGHS AND LOWS FOR 1982**

NEW HIGHS (57) BRITISH FUNDS (1) BREWERS (5) Office & Elect.
Orifiame intl. SA
int Recidit & Colman
Securitor
Do. A N-V
Security Serv. WSPAPERS (1) APERS (1) TEXTILES (1) TOBACCO (2) MINES (1) NEW LOWS (37) DREIGN BONDS (1) LDINGS (2) Priest (8.) R.H.P. Ratcliffs (G. 2.) LFISHEE (1) TRUSTS (1) Petroles OVERSEAS TRADERS (1)

# RISES AND FALLS

33

YESTE	RD/	ΑY	
	Mise	s Falls	:
British Funds	<b>5</b> 0	-	
Corpos. Dom. and			
Foreign Bonds	9	17	
Industrials	207	212	
Fin. and Props	74	100	
Offs	21	20	
Plantations	় 1	3	
Mines	25	47	
Others	29	45	
Totals	426	444	1,

# **London Clearing Banks' balances**

as at September 15 1982

THE TABLES below provide the first monthly indication of the trends of bank lending and deposits, ahead of the more comprehensive banking and money supply figures published later by the Bank of England. They are prepared by the London clearing banks and cover the business of their offices and their subsidiaries (excluding Scottish and Northern Ireland banks) in England and Wales, the Channel Islands and the Isle of Man which are listed by the Bank of England as falling within the monetary sector.

TABLE 1.					1		Total standing		nge (	
AGGREGATE BALANCES		Total standing	Cha	inge oo iogth		£m	£m	£m		£m
LIABILITIES	£m	£m	£m	£m	Bills: Treasury bills	114		- 56		
Sterling deposits:  UK monetary sector  UK private sector  UK public sector  Overseas residents	15,220 49,103 1,122 6,727		+697 +725 +115 - 30		Other bills  Special deposits with Bank of England Investments:		1,547	+ 99	+	44
of which: Sight Time (inc. CD's)	4,306	76,478 23,124 53,353	+358	+1,865 + 540 +1,325	Britisb Government stocks Other	2,624 2,799 _	5,423	40 +163	+	122
Foreign currency deposits: UK monetary sector Other UK residents Overseas residents Certificates of deposit	15,061 3,405 31,589 4,830	54,885	-319 + 66 -359 - 83	- 696	UK private sector UK public sector Overseas residents Other sterling assets* Foreign currencies	47,767 489 3,685	51,880 8,737	+817 - 31 + 41	+ +	827 403
Total deposits		131,362 15,383 146,745		+1,169 + 398 +1,567	Market loans: UK monetary sector Certificates of deposit Other	14,375 442 22,549	37,366	-498 - 5 -892	-1	L,39 <u>5</u>
ASSETS Sterling Cash and balances with Bank of England Market loans:		1,365	ian	+ 153	Advances:  UK private sector  UK public aector  Overseas residents  Other foreign currency assets*	3,189 535 12,450	128 16,175 3,049	+166 + 1 +189		356 253
Discount houses Other UK mometary sector Certificates of deposit Local anthorities	3,038 13,538 1,535 1,441		+ 68 +504 +160 - 72		TOTAL ASSETS		146,745			253 L,567
Other	1,523	21,076	+143	+ 803	Acceptances Eligible liabilities		2,816 56,439		<b>+</b>	63 818
•		• Incl	udes ite	me in en	spense and in transit					

AND THE PARTY OF T		Chang		LAYS Change	LLOYDS Change		MIDLAND Change		NATIONAL WESTMINSTER Change		WILLIAMS & GLYN'S Change	
OF BANKS' BALANCES	Out- standing	eπ	Out-	OR	Out- standing	month	Out- standing	on	Out- standing	on	Out- standing	on month
ABILITIES	£m	£m	£m	£m	£m	£m	£m	<u>£m</u>	<u>£m</u>	£m	£m	£m
Total deposits	131,362	+1,169	9 35,845	<b>— 80</b>	24,952	+914	26,633	-144	40,456	+433	3,476	+ 45
SSETS	-							•				
Cash and balances with Bank of England	1,365	+ 15	3 358	+ 3	258	+ 69	303	+ 53	405	+ 35	41	<b>⊢</b> 8
Market loans:					•							
UK monetary sector	30,951	+ 7	4 7,782	287	6,251	+317	3,594	- 92	12,689	+ . 9	635	+127
Other	27,490	- 66	6 7,168	-181	5,388	+153	5,808	-435	8,357	<b>~ 65</b>	769	138
Bills		+ 4	5 481	+ 25	474	+123	382	- 43	307	- 52	31	<b>—</b> 7
British Government stocks	2,624	- 4	0 873	+ 17	396	<b>– 2</b>	786	63	506	+ 8	63	_
Advances	68,055	+1,18	3 19,770	+244	12,840	+304	14,787	+143	18,705	+459	1.953	+ 32

1	Advances		68,055	+1,183	19,770	+244	<b>12,84</b> 0	+304	14,787	+143	18,705	+459	1,953	+ 32	
20		<u>.</u>													
902	ļ <del></del>														
343					•									_	
49	TABLE 3.														
13		L GROUPS OF BANKS													
76		LIABILITIES	EC 420	<b> 212</b>	17 220	<b>⊥132</b>	10,213	<b>⊥</b> 964	11,228	- 25	12 204	+434	7 504		
60			20,200	1 040	20,020	TANK	LUSELU	1 202	. وعميت		LOSSOF	T 1991	1,584	+ 23	
ESS.															

#### **GARDENS TODAY**

# Stop believing these myths

BY ROBIN LANE FOX

roses climb, that black spot can Beginners seem to follow them, be prevented, that peat is a meal as if they were truths beyond in itself. Our heirs will smile all argument. Shrubs have to comifers are said to stay less grown indoors only in bulb fibre. an inch in diameter. than 2 ft high, where mauve None of these myths is true. campanulas are praised for their I imagine you have just with a terror of taking cuttings. sky-blue flowers and where a bought your 7 to pack of bulb It is no use giving me that, they day lily is said to flower from fibre, complete with genuine all say, when I offer them a June until September. We believe that new trees will never much water to it, squeezed it, be taller than the tallest specimen we have seen. We are encouraged to poke holes into our lawn and to kill off harmless worms. We are also orged your specially prepared hyato use slow-acting fertilisers, though I still suspect that slow action is a polite term for oldfashioned and almost useless. I am not sure what good all that bone-meal has done to my slow-

growing borders. ordinary soil. In fibre, at least, The most powerful myths are you will not meet any worms. those which come ready-made with our first gardens. I have young roots to the surface and encouraged such beastly thiogs danger in it. I feel nanghty May or June. Again, there is no harm in this since the in- Anyone can dig up some garventioo of black polythene. Just den loam and mix it with sand as credit cards have abolished and a balanced fertiliser. Nogood old money, so black containers have changed the rules buy it. about planting and allow you to move your new plants at any

RACING BY DOMINIC WIGAN

WITH the ground certain to be towards the end of last month testing in the North again today. backers should pay particular the Lyegrave Handicap. attention to those near the foot of the handicap. Two in this Helio Sunshioe's handler, Jack form towards the end of a busy category who look set to make their presence felt at respect-claiming apprentice Steve able odds are Durandal and Dawson, is another who looks Royal Diplomat, among the runners for the BBC Radio Goodwood nine days ago Royal Sheffield Handicap.

The runners for the BBC Radio Goodwood nine days ago Royal Diplomat, the conqueror of

It is true that bulb fibre no more idea of their origin keeps its own moisture for a than I have of ground elder's long while, but so does a comor bindweed's. By a peculiar post mixed with a proportion of strength, they creep into our well-soaked sand. Unlike plain heads and it takes years to be earth, fibre has no fruit in it rid of them. I still feel wicked and does nothing for your buibs' then I water plants heavily in health in the following year. I full sunshine. I was taught find that hyacinths are more that this habit brought the top-beavy when grown in it and they make no show if planted afterwards io flower as leaf-scorch. But so long as beds outdoors. A potting comyou water heavily, there is no post mixed with wet silver sand danger in it. I feel nanghty stops their stems from when I plant a shrub in late struggling and builds up the builts' strength for the future.

drained out the surplus and

found that the blackness has

stuck under your fingernails.

away below stairs until mid-

November. Fibre bandles well

when It is not too wet, and I

know of nothing which novice

gardeners dislike so much as

body can make fibre unless they Fibre suits the bulk bulb merchants, as the bulbs are almost useless after one year's life in odds for a box of ten tobacco

io-form Willie Carson, who

came so close to landing the

race in a long while at Bath

when be came a close sixth in

Holt, has secured that able 5 lh

Royal Diplomat, for whom

Arc "

LIKE ANY other art, garden From the garden's labyrinth it, so you have to order more plants which could have been ing is beset by myths. We all of false wisdom, I have space next year. If you know that raised at home for 10p. While believe some of them: that here for only three blind alleys. earth, try gravel instead. You can grow those two lovely narcissi called Gragford and at our lists of plants, that make be pruned. Cuttings are taken Gerantum in bowls of nothing believe world where miniature only by experts. Bulbs can be but cheap old gravel, up to half

A dislike of earth often goes

oyster-grit. You have added too piece of penstemon or a border pink. They imagine that they have to be checked hourly and Nevertheless, you believe that that they root only if you obey Moscow rules. If gardeners only cinths will appreciate its special knew how easily most plants goodness when you tuck them will root from their own shoots, nurserymen would probably go out of business. Of course there are exceptions and everyone has their blind spots: I have seldom rooted a blac. But every year, I find odd plants which are easier than I dared to hope.

> The expert will score a neartotal success from a box of cuttings, but the rest of us will be happy with the usual mugs' average, 50 per cent or less. If everything rooted infallibly, where would we ever put all those daphnes, violas, ceanothus plant of any variety of fuchsia

Instead of taking cuttings, the myth-bound gardener keeps his shears for pruning. By late May, thoughts of the bedding plants are in the air. It will soon be time to drive the estate car down to the garden centre and pay 50p over the

oear home io a handicap won

Bruce Hobbs, who is so

Palace House runners in good

spell, must be optimistic that

Sharp Sea will be back to the winner's enclosure after the

whose consistency since she

Sharp Sea, a Sharpen Up filly,

by Avonmore Wind.

BBC Radio Leeds Stakes.

on the almost uncon- best race since that success

sidered Awaasif-ran his best when showing fine speed until

From the garden's labyrinth it, so you have to order more plants which could have been what, meanwhile, should be dooe about the shrubs? The forsythia is over, but the weather is warmer and there is time to trim the berberis and bring that buddleia back to the height we all expected when we bought it three years ago.

Dead wood is one thing, an obvious eyesore which is best cleared before it lets in rot or leaves. Living wood is quite need mist and the art of a another matter. I am firmly Chelsea exhibitor, that cuttings of the view that far more harm is done by pruning in Britain than by leaving every shrub completely alone.

The urge to pruoe derives

from a deadlier urge, the urge

to plant too closely or to go only for quick results. We all do i

nowadays, but by jamming the lilac too close to the flowering currant we only save ourselves two lean years and cause no end of cutting and pruning thereafter, to the good of neither neighbour. If most neither neighbour. shrubs are spaced correctly they will grow very well with out any cuts into their living wood. I make an exception for their first two years when a shortening of their growth by a third or more helps to build and cistuses? However, any an open and elegant shape. one who buys more than one Afterwards, hard pruning takes out more flower than it is wasting one of nature's free encourages, especially as begingifts. Fuchsias will root with ners do it at the wrong season out fail, even in a toothmug of on many plants and wipe out a year's buds altogether.

If half as much effort went into planning and obeying the mature measurements given in good catalogues, gardeners could take up seed sowing instead and learn that here, too, plants are only waiting for us to discover that easy secret.

Durandal—the mount of the Copper Beeches and some other made her debut behind Miss useful handicappers at New- Thames at Yarmouth in Jooe she showed on the Surrey

> YORK 2.00—Ring of Greatness 2.35—Ardoony 3.45—Darandal\*\* 4.15—Sharp Sea\*\*\* CHELTENHAM

2.15-Colway Boy 245-Al Kuwait

5.00 sm As Radia 2. 7.00 Mike Read. 8.00 Simon Bates. 11.30 Deve Lee Travis including 12.30 pm Newsbest. 2.06 Steve Wright. 4.30 Mike Smith Including 5.30 Newsbest. 7.00 Radio 1 Mailbag. 8.00 Osvid Jamen. 10.00 Inch Read (5) bury back io August, ran his has been admirable, failed by a short head to cope with Ultimate Pride at Lingfield recently, Sharp Sea revels in the mud as RADIO 2
5.00 am Rey Moora (S). 7.00 Tarry Wogan (S). 9.00 Jimmy Young in Australia (S). 31.00 Terry Wogan (S). 12.30 pm Warkers' Playtime. 1.00 Glarta Hunnilard (S). 2.00 Ed Stewart (S) Including 2.02, 3.02 Sporta Oesk. 3.30 Music White You Work (S). 4.00 David Hamilton (S) including 4.02, 5.02 Sports Desk. 5.45 Naws, Sport. 5.00 John Ounn (S) including 8.45 Sporta Desk. 7.30 Frank Chackefield (S). 6.15 National Brass Band Championships of course. She looks to be the day's accomplished at keeping his hest bet.

#### **TELEVISION**

#### Tonight's Choice

I suppose for most people the highlight of the night, if not the month, might be the return of Dallas with all the old old faces on BBC-1 at 9.25. This is followed by even more oldies with Alan Whicker rescreening interviews with the likes of ex-Paul Getty and others of the super rich.

That there is a world other than Dallas is proved on BBC-2 which at 8.10 picks up the 800th anniversary of the birth of St Francis of Assissi. Shot in Italy, it should be pretty if nothing else. Later on the same channel the interesting Out Of Court returns for another series.

Oo the commercial channel. Thames should attract a big lunchtime audience when Sting is interviewed in The Electric Theatre Show about his appearance in the film Brimstone And Treacle. Later the police series Strangers, which manages to break oew ground in an old formula, covers a weekend seminar in which the heroes are introduced to new methods for dealing with urban terrorism.

ANTONY THORNCROFT

#### BBC 2

6.40-7.55 am Open University. 6.35 Collecting now: Care and Repair. 9.00 Gharbar. 6.55 Schools Prom. 9.30 Conservative Party Conference 1982.

7.45 De Bono's Thinking 11.00 Play School. Conservative Party Con-Course. 8.10 Saint Francis of Assist. ference. 1.45 pm Chock-a-Block. W 2. A W 00.0 9.25 Alec Guinness in Smiley's

2.30 Conservative Party Con-People. ference 10.25 Out of Court (new series) 5.10 Have a Heart, Use your 10.55-11.55 Newsnight and Con-5.40 Speak Out: The Bomb. 6.10 One Man's Yacht

5.45 News. 6.00 Thames News

Junk Food Junkia."

6.25 Help!

6.35 Crossroads. 7.00 Where There's Life 7.30 Coronation Street.

rondon

12.00 We'll tell you a stury, 12.16 pm Rainbow. 12.30 The

Electric Theatre Show, L.00 News, plus weather; Financial Times Index, L.20 Thames News, L.30

Take the High Road. 208 A Plus. 225 Conservative Party

Conference. 3.45 Professional

Snooker from the Assembly Rooms, Derby, 4.15 Danger-mouse, 4.29 Emu's World, 4.45

The Final Frontier, 5.15 Diffrent Strokes: Course Bain in

8.00 Starburst, 9.00 Strangers.

10.00 News and Thames News Headlines.

10.30 Professional Snooker from the Assembly Rooms Derby. 12.00 Love Thy Neighbour: Jack

Smethurst in " A Tright To Remember." 12.25 am Close: "Sit Up and

with .

servative Conference Re. + Indicates programme and white.

6.00 North Tonight. 12.00 North Head. 6.00 Coast to Coast. 12.00 Company.

#### All IBA regions as London except at the following times: **ANGLIA**

BBC 1

(uhf only). 7.05 Breakfast with Brisbane. 9.16 For Schools, Col-

leges. 10.00 You and Me. 10.15 For Schools, Colleges, 1239 pm News After Noon, Weather, 1257

Regional News for England (except London); London and SE only: Financial Report. 190 The

XII Commonwealth Games. 2.61

For Schools, Colleges. 3.29 Top Gear. 3.53 Regional News for

England (except London), 3.55

Play School, 4.20 Yogi Bear, 4.25 Jackanory, 4.40 Think of a Number with Johnny Ball, 5.05

Newsround, 5.10 Jockey School

5.40 Evening News; Weather-

6.00 Regional news magazines.

6.50 The XII Commonwealth

7.30 To The Manor Born, star-

8.50 Points of View with Barry

9.25 Whicker's World - The

First Million Miles!

10.10 Sportsnight: football; the

11.45 News Headlines, Weather-

11.50-12.15 pm Open University.

1982 Horse of the Year Show: the XII Common-

8.00 Dallas (new series).

9.00 News; Weatherman.

wealth Games.

ring Penelope Keith, Peter

Games

Took.

man.

9.30 am Stop, Look, Listen, 8.42 My World, 9.59 Starting Bolanca, 10.15 Seeing and Doing, 10.33 Starting Out. 11.05 Good Health, 11.22 Over to You. 11.05 Good Hearth. 11.22 Over to You.
11.39 How Wis Used to Live. 1.20 pm
Anglia News. 1.30 Take the High Road.
5.15 Private Senjamin. 8.00 About
Anglia. 12.00 The Living Legands of
Lezz and Sites. 12.35 am The Lion

BORDER 9.30 am Stop, Look, Listen, 9.42 My World, 9.59 Starting Sciesco, 10.16 Seeing and Oolng, 10.36 Take a Good Look, 11.01 Lat's 0o it. 11.22 Over to You, 11.39 How We Used to Live, 1.20 pm Border News, 5.15 Survival, 6.00 Lookaround Wadnesdry, 12.00 Router News.

CENTRAL am Stop. Look, Listen. 9.42 My

RADIO 1

RADIO 2

World. 9.59 Starting Science. 10.16 Seeing and Ooing. 10.33 Starting Out. 11.05 Good Health. 11.22 Over to You. 11.39 How We Used to Live. 1.20 pm Cantral News. 1.30 Play it Again. 6.00 Crossroads. 6.25 Central News. CHANNEL . 2.30 am Schools. 1.20 pm Channel Lonchtime News. S.20 Crossroads. 6.00

GRANADA 9.30 am For Schools. 1.20 pm Granada Reports. 2.00 Exchange Flags. 5.15 The Severty Hillbittles, 6.00 This is Your Right, 6.06 Crossroads. 6.30 Granada Reparts. 12.00 The Living Lagends of Jazz.

GRAMPIAN

9.30 am 6top, Look, Listen. 9.42 My World. 9.59 Storing Science. 10.16 Seeing and Doing. 10.35 The English Programma. 11.05 Finding Out. 11.22 Over to You. 11.39 How We Used to Live. 1.20 pm HTV News. 5.16 Stingray. 5.00 HTV News. 10.28 HTV News. HTV CYMRU/WALES—As HTV WEST except 11.05 am About Wales—Pieces. 12.00 Fislabelam. 4.16 pm The Adventures of Steck Beauty. 4.45 Sian Bill. 6.00 Newyddion. 6.05 Report Wales.

SCOTTISH 9.30 am Far Schoals, 1.20 pm Scottlah Nawa. 1.30 The Communicators, 5.15 Crossroada. 6.40 Action Line, 5.00 Scotland Today. 6.30 Report. 12.00 Late Call. 12.05 am Love American

TVS

1.20 pm TVS News. S,15 Happy Days.

TYNE TEES 9.20 am The Good Word, 8.25 No East News. 2.30 Schools, 1.20 North East News. 1.25 When the Jo Ara. 5.16 Mr Merlin. 6,00 North E News. 6,02 Crossroads. 8.25 North Life. 10.30 North East Makes, 12 Alice in Mondaland.

9.30 am Stop Look, Listen, 8.42 My Warld. 9.50 Starting Science, 10.16 Sealing and Doing, 10.35 The English Programme, 11.05 Experiment: A Level Physics, 11.22 Over to You, 11.39 How We Used to Live, 1.25 pm, Linchtime, 4.13 Ulster News, 5.75 Happy Days, 6.00 Good Evening, Ulster. YORKSHIRE

9.30 am For Schools. 1.20 Calender News, 6.00 Calendar (Ed Monr and Balmont editions).

#### RADIO

Entertains. 9.30 Hubert Gragg (S). 10.00 Cas I Take That Again? 10.15 The King's Singers. 10.30 Srien Metthew presents Round Midnight (starso from midnight). 11.02 Sports Oesk. 1.00 am Encore (8). 1.02 Gemes Oesk. 2.00-5.00 You and the Night and the Music, with Cheries Nove, 2.02, 2.02, 4.02 Gemes Desk.

RADIO 3 12.30 pm Warkers' Playdine, 1.00 Glaria Hamilton (S), 2.00 Ed Stewart (S) Including 2.02, 3.02 Sports Cesk, 3.30 Music White You Work (S), 4.00 David Hamilton (S) Including 4.02, 5.02 (S), 9.80 News, 9.05 This Week's Composers: Sports Cesk, S.45 News, Sport, 6.00 John Ounn (S) Including 6.45 Sports Desk, 7.30 Frank Checkefield (S), 6.15 10,40 Szymanowski (S), 11,25 Music National Bress Band Chempionships of Great Britain (S), 8.00 The Organist

Nielsen, Prokatiev, Besthovec (S), 1.00 pm News, 1.05 Cencari Hali (S), 2.00 City of Lendon Sistemis (S), 3.25 Guizar Oueta (S), 4.00 Choral Evenaong (S), 4.55 News, 5.00 Memby for Pleasure (S), 6.30 Jazz Taday (S), 7.16 From Molecules to Mind, 9.00 ISM Contenty Gale Concert, part 1: arr. Garden Jacob, John McCebe, Walton (S), 8.50 Six Continents, 8,10 Concert, part 2: Brahms (S), 10.15 Sersanglay

RADIO 4.
6.00 am Nawa Brisling, 6.10 Ferming
Today, 6.20 Today, 8.43 in Patagonia,
8.57 Weather, Travel, 6.00 Nawa, 8.05
Midweek: Russell Herty's Paople (S),
10.00 News. 10.02 Gardeners' Quastion

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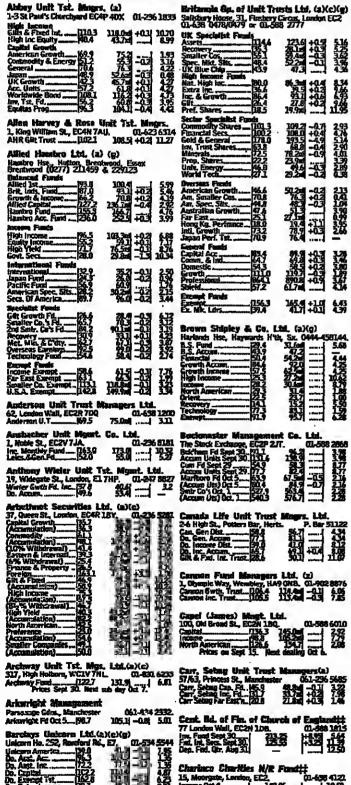
Time. 10.30 Morning Story. 10.45 Daily Service (S). 11.00 News. Travel. 11.03 Beker's Opzen. 12.00 News. 12.02 pm You and Yours. 12.27 Transattento Ouiz. 12.55 Weather, Travel. Programme News. 1:00 The Warld at One. 1.40 The Archers. 1.56 Shipping Forecast. 2.00 News. 2.02 Woman's. Hour. 3.00 News. 2.02 Afternoon Theatre (S). 3.47 Time for Varse. 4.00 News. 4.02 Only Disconnect. 4.10 File on 4. 4.40 Story Time. 5.00 PM: News Magazine. 6.00 News, Financial Report. 6.30 Ny Music (6), 7.00 News. 7.05 The Alchors. 7.20 What Price Compensation? 7.45 Pendors's Box. 9.15 Kenneth Williams —Ad Lib. 9.30 Keleidoscope. 6.88 Wastter, 10.00 The World Tooloft. Weather, 10,00 The World Tonight 10,30 The Burkles Way (5), 11,00 A 800k at Bedtime, 11,16 The Flanckel World Tonight, 11,30 The Wickedest Wink in the World, 12.00 News, Weether, 12.15-12.23 are Shipping Fore-

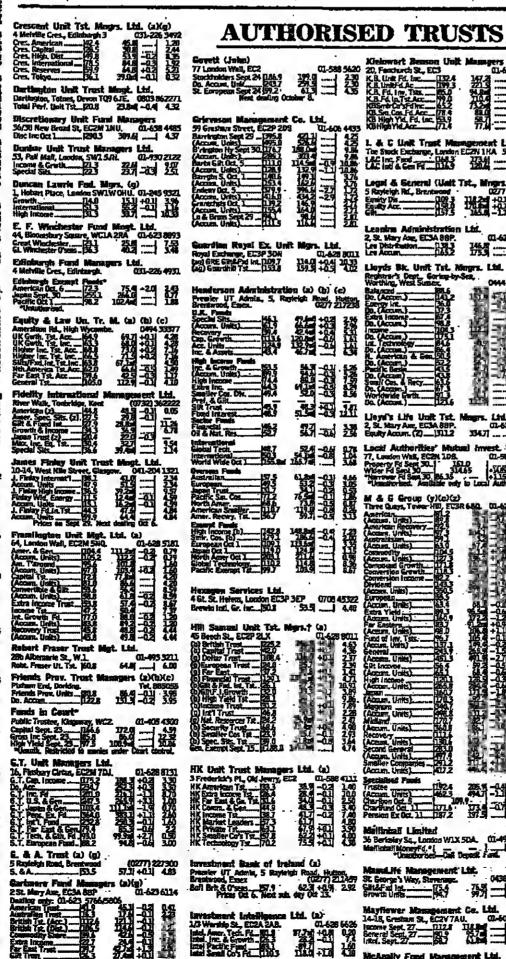
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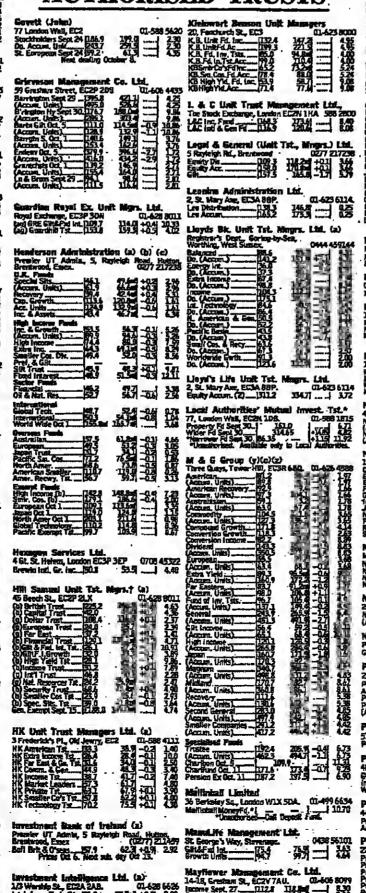
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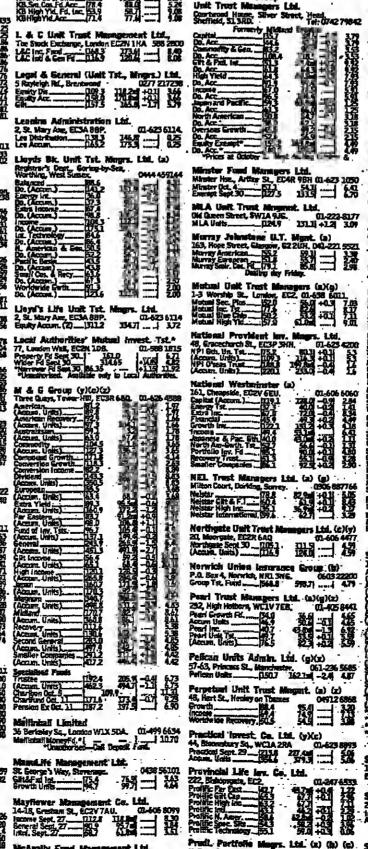
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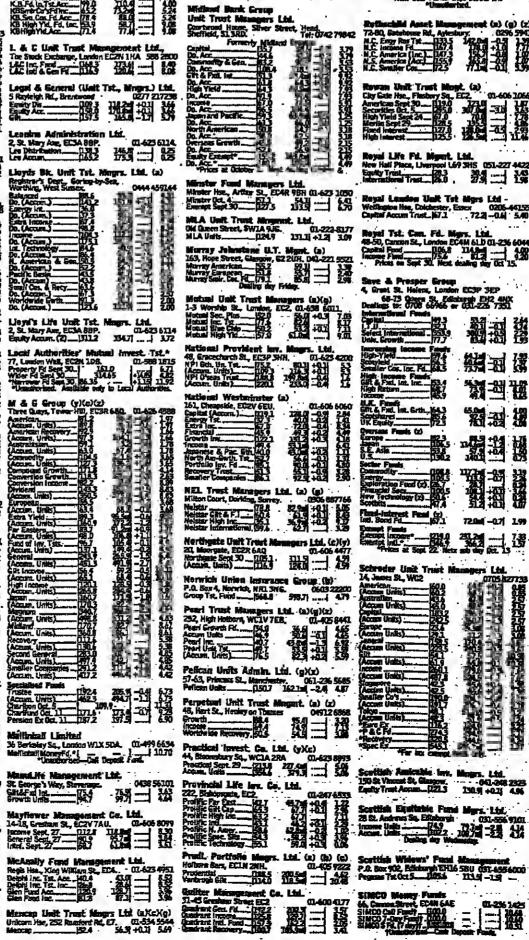
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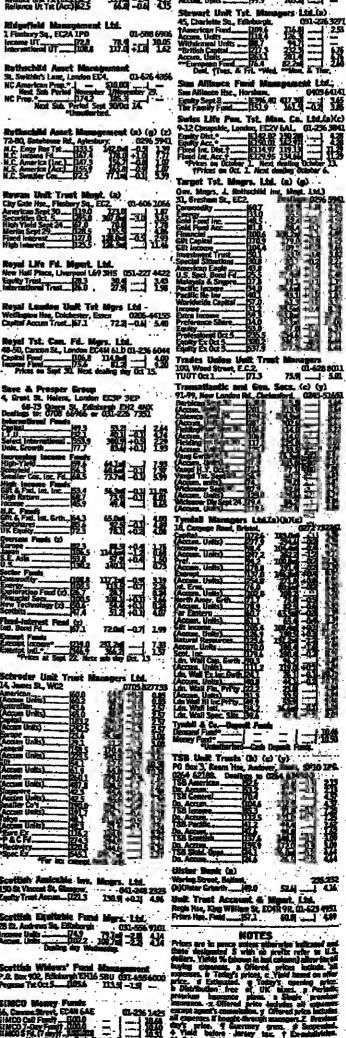












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# FINANCIALTIMES

Wednesday October 6 1982



JENKIN LISTS TARGETS FOR CASH INJECTION

# Privatisation to be stepped up

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

step up its programme for privatising sectors of stateowned manufacturing industry in the next parliamentary session BL will come under political pressure from ministers to inject private sector capital into its main vehiclemaking activities.

A Bill will also be published enable sections of Brilish Shiphuilders to be sold, in addition to the Bill already announced to inject private capital into British Telecom. n the longer term Mr Patrick Jenkin, Industry Secretary, hopes to begin to privatise Rolls-Royce, the state-owned

aero-engine manufacturer. A pledge to do this once the com-pany has emerged from the peak of its current aero-engine ment last month that it intended ing plants are development programme is to "begin to seek private sector by BL, including the negotiation

16, with a resulting loss of 1980s.

ping's capacity from 3.8m to

2.55m dwt tonnes.

BP Shipping blames the cuts

oll supplies away from using

tankers from the Gulf. to the use

the North Sea.

The ships will either be sold more than £10m and the com-

or scrapped by early 1983. BP pany hopes to cover the cost by Shipping yesterday refused to disposal sales. A total of 380

name the ships affected because their crews had not yet been 560 Indian ratings—and 116 informed.

The disposal, involving three London and at Harlow, Essex,

very large crude carriers will be made redundant. Some (VLCCs), four medium crude compulsory redundancies are

carriers and nine product planned, along with voluntary cariers, will reduce BP Ship-schemes.

of pipelines as in Alaska and Shipping's managing director,

THE GOVERNMENT intends to likely to be included to the Con- money for its mainstream of joint ventures and straight servative Party's next general husinesses," so publicly empha-election manifesto. husinesses," so publicly empha-sisling bis determination to The privat These plans continue the

trend set by the Department of Industry since the last election with businesses like British Aerospace and Cable and Wireless. Other Whitehall Departments have their own pro-grammes for the future of husinesses such as the British National Oil Corporation and British Airways.

The Industry Department's plans emerged at the Conserva-tive Party's annual conference in Brighton yesterday. Winding up a debate on industry. Mr Jenkin said he had a "llttle list" of privatisation targets. He repeated BL's announceof its current aero-engine ment last month that it intended

BP Shipping says it has been

running up losses of tens of

millions of pounds. Last year it

on overcapacity in the world disposed of 10 trading ships and a small margin of capacity to tanker market and the shift in two laid-up vessels, totalling operate on the open market.

BY IVO DAWNAY, LABOUR STAFF

An Improvement in

topping-up payment would he

that health workers are being

compared to other public sector

groups, now faced with a 3.5

However, despite three weeks

of exploratory talks, Health

Department officials and the

hy strong resistance at hospital level to any settlement that fails

per cent pay provision.

treated as a "special case

resented as further evidence

1.25m dwt tonnes. Mr Ronald Ilian

keep BL to its word.

Later Mr Jeokin said ne expected "substantial move-ment" within a couple of years. expected He had agreed this target informally with Sir Austin Bide, chairman designate of BL, who is believed to bave had agreed to it before Mr Jenkin decided to appoint him to succeed Sir Michael Edwardes, who leaves the BL chairmanship

Although no detailed objectives have been written for Sir Austin, it seems clear that Mr Jenkin expects results before the next general election. A variety of ways of privatising plants are being considered

huilt in UK yards and 17

would at that point still look

for further manpower savings.

be taken to stem further finan-

The company emphasised that

its strategy was to stay in ship-

ping and not rely substantially

on the charter market. Toe fleet

would he reduced to cover mainly BP's requirements, with

Mr Ilian said that BP Ship-

ping bad expected a substantial

Minister ready to raise nurses'

to the professional nurses in the pay offer for the current intimated it may be willing to

Under the terms of the peace

plan, presented last month by Mr Norman Fowler, Social Services Secretary, nurses were

offered either the current 7.5 per cent, put back from April to June, with a further 4 per

from April with a further 5 per cent in the New Year.

pay in bid for 2-year deal

deal being reached.

BP Shipping to cut tanker fleet by a third

BP SHIPPING, a division of oil products trade until 1985, total 3m dwt tonnes and com-british Petroleum, is to reduce Equilibrium in the VLCC marprise eight VLCCs, four The Government has been its tanker fleet of 45 ships by ket is unlikely until the late medium crude carriers being formed of the decision, whi

The redundancies will cost BP product carriers. The company

Shipping's managing director, premium over scrap value for said yesterday that even after the ships if they were to be

Its forecasts are pessimistic the latest cuts the company sold as going coocerns. How- However, most of the VLCCs about the immediate future and fleet would still operate at a ever, it was thought in the City were built in the early 1970s

suggest that there will be a sur- loss. At the beginning of next last night that in the depressed and are still subject to write plus of medium-sized ahips in the year the company's fleet will market the VLCCs were likely offs annually.

THE Government has signalled to produce a real improvement

The privatisatio Bill for British Shipbuilders has been planned since the last general election when it was contained in the Conservative Party manifesto. But it has been delaced for the past two years—partly because of a lack of parliamen-

it unlikely that any shipyards The industry is not reducing its losses and hopes to see profits within a couple of years. The Bill, which is expected to be included in next month's Queen's Speech will probably enable individual yards to be

tary time, but mainly because the commercial prospects of British Shipbuilders bave made

Tory conference, Page 14 Chancellor's choice, Page 21

The Covernment has been in

will have a major effect on the

size of the British merchant

navy—already the subject of Defence Ministry concern. All the ships are registered under

would consult its members

working for BP on possible industrial action. The associa-

tion accused BP on going back

on a promise of full consulta-

tion before such decisions were

UK taxation law will allow

BP to claim full depreciation

on the ships now under con-

struction in a year. The com-

pany's policy of 16-year depre-

ciation more than covers the

smaller ships under the axe.

The Government has since

formula to the original imple-

mentation date of next April.

may improve the 4 per ceot

payable from January repre-

sents a major step forward,

• The Standard, the London

eveoing newspaper, resumed

Society of Graphical and Allied

Fewer join regional action,

Page 15

however.

cent in January; or 6.5 per cent publication after peace moves from April with a further 5 vesterday. Members of the

Indications that ministers

Mr Ilian said action had to the British flag.

e taken to stem further finan- The Merchant Navy and Air

cial deterioration. "The situa-tion is a very grim one," be would consult its members

taken.

## of increase in money supply

By Max Wilkinson,

The Bank of England said its preliminary estimate was that the broad measure of the

This suggests an annualised rate of growth of 111 per cent monetary growth is an annual rate of between 8 and 12 per

Although sterling M3 is now approaching the top of this range the growth of the other

MONETARY GROWTH (per cent rise) Aug-Sept Sterling M3 293

MI is the narrow measure of money, including notes and coin

ecceleration of the growth of narrowest measure, M1, since cash and cheque accounts will become relatively more attractive. On the other hand a reduced inflation rate may moderate the demand for

of about £1.2bn after seasonal adjustment

New lending for bouse mortgages appears to bave continued at the receot high rate in spite of the hanks' decision Editorial comment Page 20 to cut back on this activity.

#### Weather

UK TODAY UNSETTLED with showers and longer outbreaks of rain. Rather cold. S.E. England, Central,

S.W. England, Wales Showers, some bright intervals. Max 14C (57F).

N. Ireland

WORLDWIDE

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C-Cloudy, F-Fair, R-Rain, S-Sunny, T-Thunder.

t Room GMT temperatures.

# Faster rate

THE RATE of growth of bank lending to the private sector and the rate of Increase in the money supply appear to have accelerated in September, according to official estimates yesterday.

money supply, sterling M3, grew by 1 per cent in the month to mid-September.

for the seven months to mid-September compared with 11 per cent up to August. The Government's target range for

two measures of money. M1 and PSL2, are still well within the target. However, the rate of growth uf both has been accelerating recently.

The fall in interest rates is expected to lead to a further

and bank deposits, which can be vithdrawn without notice. Sterling M3 is the broad measure, which includes, in addition, interestbearing deposits that require notice of withdrawal. Private Sector Liquidity 2 measures private sector cash and deposits, including those with institutions such as building

morey.

The Loodon clearing banks yesterday reported a £817m increase in leading to the predate sector. They say this suggests an underlying increase

When the full banking figures increased by between £11bn and £11bn. This compares with an average of £1.2bn for the preious four months.

N.E. England Showers or longer outbreaks. Max. 14C (57F).

N.W. England, W. Scotland Outhreaks of rain. Some bright intervals. Max. 12C

E. Scotland Showers, Max. 10C (50F).
Onllook: Continuing unsettled

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THE LEX COLUMN

# Soothing those money worries

worked np quite a froth about the preliminary September money supply figures, which were released yesterday. As it turned out, the 1 per cent increase in sterling M3 was within striking distance of most

The public sector prohably had a contractionary impact on the figures, so all the growth came from bank lending which, seasonally adjusted, may bave risen by a tonch over £1½bn. The corporate sector drifted back from hill to overdraft financing but the main feature of the increase was again the strength of personal sector loan demand.

The September figures maintain the accelerating momentum of monetary growth and harden suspicions that sterling M3 will disappear out of the top end of Its 8-12 per cent target range by the end of this calendar year. Not so long ago such a threat might have sent the gilt-edged market steaming into indexlinked stock but, at the moment, the Bank of England appears relaxed about any temporary overshoot. Its eyes are pinned on the trade-weighted value of sterling, which remains remark-

lifehoats. The clearing banks have nissed the rare opportunity of receiving a standing ovation on the first day of a Tory party conference, but they still bave time to win friends in high places by judicious adjustment of their base rates,

ahly stable, and on the over-

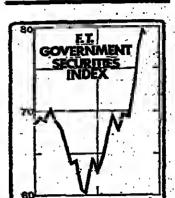
crowded flotills of clearing bank

#### Sears Holdings

In anything but a recession, Sears Holdings' balf year performance, with pre-tax profits £0.7m down at £35.2m, would have looked pretty unexciting. In the current climate, however, the figures underline the group's defensive qualities, and the sbares, after a steady rerating throughout the year, rose another 1 p yesterday to

its loss-making engineering companies, which leaves it looking spirit may prove more evane-more like a pure retailer of the scent than BT hopes. STC is type that is currently attracting out; altogether, the money riding on higher. The most obvious winner is become available next week, it is expected that the underlying rate of increase in lending to the private sector will bave in divisions — footwear and the others, and may now be bank of England's corporate in divisions — footwear and the others, and may now be bank of England's corporate -were squeezed in the

Index rose 6.2 to 576.8



from the remains of the engineering side, and a £1.4m reduction in interest charges.

The second half ought to see some improvement in the see some improvement in the pure retailing side, particularly shoes, and, with a better performance from the depressed betting side, profits should approach £110m. This would leave it on a fully taxed p/e of 14.6 and a prospective yield a permend 4 per cent a modest of around 4 per cent, a modest discount to the stores sector.

#### System X The decision to speed up and

rationalise the production of the System X electronic telephone exchange marks another major step in the Government's aggressive telecommunications strategy. Until recently System X has been uncomfortably slow off the mark—stymied to part by the "democratic" develop-ment process under which Plessey, GEC and STC have been operating. So, in tandem with an acceleration in orders, democracy is to be thrown out of the window. Plessey becomes prime cootractor for the remaining development work, with GEC its sub-contractor.

87p. Both will compete for the Part of this year's uprating actual production work that is due to Sears' elimination of builds up in about two years' its loss melving angionation. time, although the competitive scent than BT hopes. STC is

undertaking 65 per cent of the finance team, now charging up first half, and the group held total development work. Mean the Euromoney league tablea its own only by dint of a better while GEC, which has been through managing a bond for performance in vehicle delivery, content to take a back seat at the EIB, might have been proud a contribution of almost film the development stage, will be of.

lost ground as production builds up. And although work will go os competitive tender to the two companies, fixed volumes give kittle incentive for either to start cutting away at their

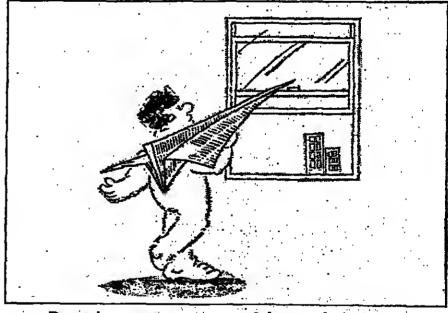
Yesterday STC was putting on a very brave face, but there can be little doubt that it is the main loser in the reshuffle. For five years it will be cushioned by the boost to TXE4/4A order books. The fixed price of these orders may allow some attractive margins after a couple of years, and at least one source of the volatility of STC stated earnings—retrospective price setting—has been removed. setting—has been removed. But in five years time STC will find it virtually impossible to maintain a presence in the UK main exchange business. STC shares fell 17p yesterday to 580p and the possibility of further stock being officaded by ITT is hardly a support. hardly a support.

#### Defeasance

Distillers of 12-year-old whisky tend to have a rather slow\_stock-turn, and it makes a lot of sense for a company like Seagrams' UK subsidisry to want to fund this far from current working capital with long-term money. And it would ba perfectly easy to give security to lenders, were it not that debentures (with the exception of the mortgage debentures issued by property companies, on which security can be quite easily transferred) bave a nasty habit of binding borrowers band and foot with restrictive covenants.

At this point, enter Morgan Grenfell with the defeasance debenture. The £50m bond is secured by first floating charge on Seagram Distillers' net tangible assets (some £140m in the last balance sheet). Should the company dispose of more than 30 per cent of its borrowing base, the floating charge becomes mill and void—undergoes, in a word, defeasance—and the security is transferred to a pot of cash, equivalent to the principal value plus nine months interest, which the borrower deposits with trustees. So the lender gets security, reflected in a lower coupon, while the borrower retains flexibility. This could tip the bond market scales back io

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#### plant cuts By John Lloyd, Labour Editor MR BILL SIRS, general secre-

Warning of

further steel

tary of the Iron and Steel groups that it will improve its year. Provincial leaders of the bring forward the new pay class Confederation, will too offer of 5 per cent new money Royal College of Nursing—the arrangements—perhaps by as from January, in return for an 185,000-strong main non-TUC much as six months. But it has workers' delegates that the agreement on its two-year pay nurses' body—are deeply pessi- resisted RCN pressure to backBritish Steel Corporation is to deal. make further major plant cuts. likely to involve thousands of redundancies.

Speculation last night centred on the possible closure of the bulk of iron and steelmaking capacity at the Ravenscraig works in Scotland, and the new blastfurnace at Redcar, on Teesside. These have already beeo mooted by the Corporation as candidates for closure due to the continuing depression in

UK steel demand. This followed a meeting between the steel unions and Mr Ian McGregor, the BSC chairman. Mr Sirs, who appeared shaken by the meeting, would say only that the news be had was "so serious that I must keep it for my dele-

Mr Sirs said the union officials "made progress only in getting information." and the outcome of the meeting was "as we anticipated."

Delegates from all the steel unions meet in Sheffield today to discuss what action to take In view of possible further closures. The unions have warned that the closure of one of the five major plants — Llanwern, Port Talbot, Ravenscraig, Scunthorpe and Teesside
—would precipitate a confron-

The closure of much of the steelmaking and rolling mills at Ravenscraig — an option which has been closely examined by the corporation — could reduce the Scottish plant's labour force of 4,500 by about 4,000. This would leave a few bundred wnrkers on the continuous casting machine, which might be retained, and on a small iron-making capacity which would service It.

Continued from Page 1

#### Witteveen

resorting to sharply higher levels of short-term horrowing. sometimes as the only alterna-tive to bankruptcy."

The ability of maoy developing countries to continue servicing their debts has been stretched to breaking point by the prolongation of the global recession—which has held down the prices of their main commodity exports and the demand for their exports in general-combined with very high levels of real interest

Dr Witteveeo concludes that the degree of integration of and small investors will be world banking and money markets is likely to make almost any serious financial problem of | big institutions if the issue is the future an international one. oversubscribed.

#### The RCN has made clear Trades 1982 had halted distribu-from the outset that it would tion since Friday in a dispute only discuss the second of the over deductions from pay, made The RCN has made clear non-TUC unions remain deadlocked over the date for implementing a new formula for two options, with a proviso for as a result of the September talks on Government plans to 22 sympathy strike for health delay implementation of a new service staff. assessing nurses' pay, which is still to be agreed. The talks are also hampered

formula for a year to April

Tories plan changes Continued from Page 1 State. But the basic dilemma of how to finance rising welfare spending still has to be tackled view, which is stongly held by the Treasury Ministers. Mrs Margaret Thatcher clearly helleves that a shift to private sector provision is desirable as

much for its increase in consumer choice as for any long-term financial savings. In the short term expenditure might rise under a voucher system.

Among other options being considered are further privatisation of Health Service operations, such as cleaning, and the introduction of tax incentives for individuals, as opposed companies, for private health

keen to reduce short-term bopes about the economy. The mes-sage from the Tory hierarchy will he significant scope for the Falklands crisis-reminislarge income-tax cuts next cent of the praise accorded to spring, because of the down- Sir Winston Churchill after grading of growth forecasts and 1925. "Without you it would because of uncertainties about have been impossible." Mr John

given to industry or to indito he non-committal in his economic speech to the conference this afternoon,

Nort, the Defence Secretary, A major dehate will start said turning to the Prime within the Treasury and White. Minister during what he hall as soon as the conference admitted was probably his fareis over about the economic state- well address to the conference. ment by Sir Genfirey Howe, the Chancellor, in late November.

Decisions have still to be taken after he angrily walked out of about whether aid should be a television interview with Sir M: Nott also provided the viduals in the next financial about differences vear. Sir Geoffrey is expected senior Naval Staff.

The major discussion yester-day was in the conference and In contrast to the far-reaching long-term plans likely to be included in the next election manifesto. Ministers are clearly corridors; the main debates were generally subdued on such controversial topics as industry and defence. The highlight was a series yesterday was that there is no of effusive tributes to Mrs one quite believed the opinion reason yet to believe that there Thatcher as war leader during poll.

Rooin Day because of questions about differences with the Senior Tory MPs and experi-enced conference attenders themselves slightly bemused by the mood yesterday in which the so-called "wets" generally kept a low profile and there was little dissention. One Minister said that, while the potitical prospects had improved immeasurably since the iast conference a year ago, no

Britoil shares sale Continued from Page 1

ters are anxious to release • Ministers are anxious to some time to digest the initial Britoil from government con- avoid any repetition of the dis- issue. trols, and to remove the impact agreements between the of the corporation's spending Government and the Britcil board which emerged in leaked from the Public Sector Borrowdocuments last week. It has ing Requirement. • The Cabinet is keen to emerged that the main reason involve as many small investors for the rows this summer was

as possible to broaden owner the level of debt equity ratio ship before the next election. Iaid down by the Government With this in mind the share under Britoil's initial capitalisa-application form is being tion structure. simplified: the offer documents Although Mr Lawson is keen may be placed in post offices; to sell more than 51 per cent of and small investors will be Britoil it is likely that the allocated a higher proportion of their applications than the a year before attempting a trial users. As a result future

be is likely to face sharp criticism from back-benchers today for forcing British Gas Corprices sharply in real terms throughout the past two-and-ahalf years. As a result of the directive. domestic gas prices

have risen by exactly 100 per cent since April 1980. Mr Lawson is expected to reply that domestic prices are Government will allow at least in line with the rates to indussecond sale of shares. Ministers gas price increases should be believe the market will take on a much lower scale.